

DEPARTMENT FOR THE ECONOMY

SECTION 75 EQUALITY OF OPPORTUNITY SCREENING TEMPLATE

This form should be completed when considering options for a new policy, service or programme, or changing an existing policy, service or programme. Those policies identified as having significant implications for equality of opportunity must be subject to full EQIA.

The template will provide a record of the factors taken into account if a policy is screened out, or excluded for EQIA. It will be included in the quarterly Screening Report which is published on the Department's website.

Please complete the Cover Sheet Table below

| | |
|---|---|
| Policy Title (in full): | Gas (Designation of Pipelines) Order (Northern Ireland) 2019 |
| Policy Aim | To make legislative provision for the high pressure transmission sections of new gas pipelines from Portadown to Dungannon and from Dungannon to Tullybroom and Tullykeneye, currently being laid as part of the Gas to the West project, to be designated under the provisions of Article 59 of the Energy (NI) Order 2003 for the purposes of the common transmission tariff. |
| Decision (delete as appropriate) | Policy screened out without mitigation or an alternative policy adopted |
| Business Area: | DfE – Energy Division |
| Contact: | Fred Frazer, Head of Gas Policy Branch |
| Date of form completion: | 21 December 2018 (final) |

For Equality Unit Completion:

| | |
|--|---------|
| Date received: | |
| Amendments requested? | Yes/ No |
| Date returned to Business Area: | |
| Date final version received: | |
| Date placed on S75 Screening Webpage: | |

Screening flowchart and template *(taken from Section 75 of the Northern Ireland Act 1998 – A Guide for public authorities April 2010 (Appendix 1)).*

Introduction

Part 1. Policy scoping – asks public authorities to provide details about the policy, procedure, practice and/or decision being screened and what available evidence you have gathered to help make an assessment of the likely impact on equality of opportunity and good relations.

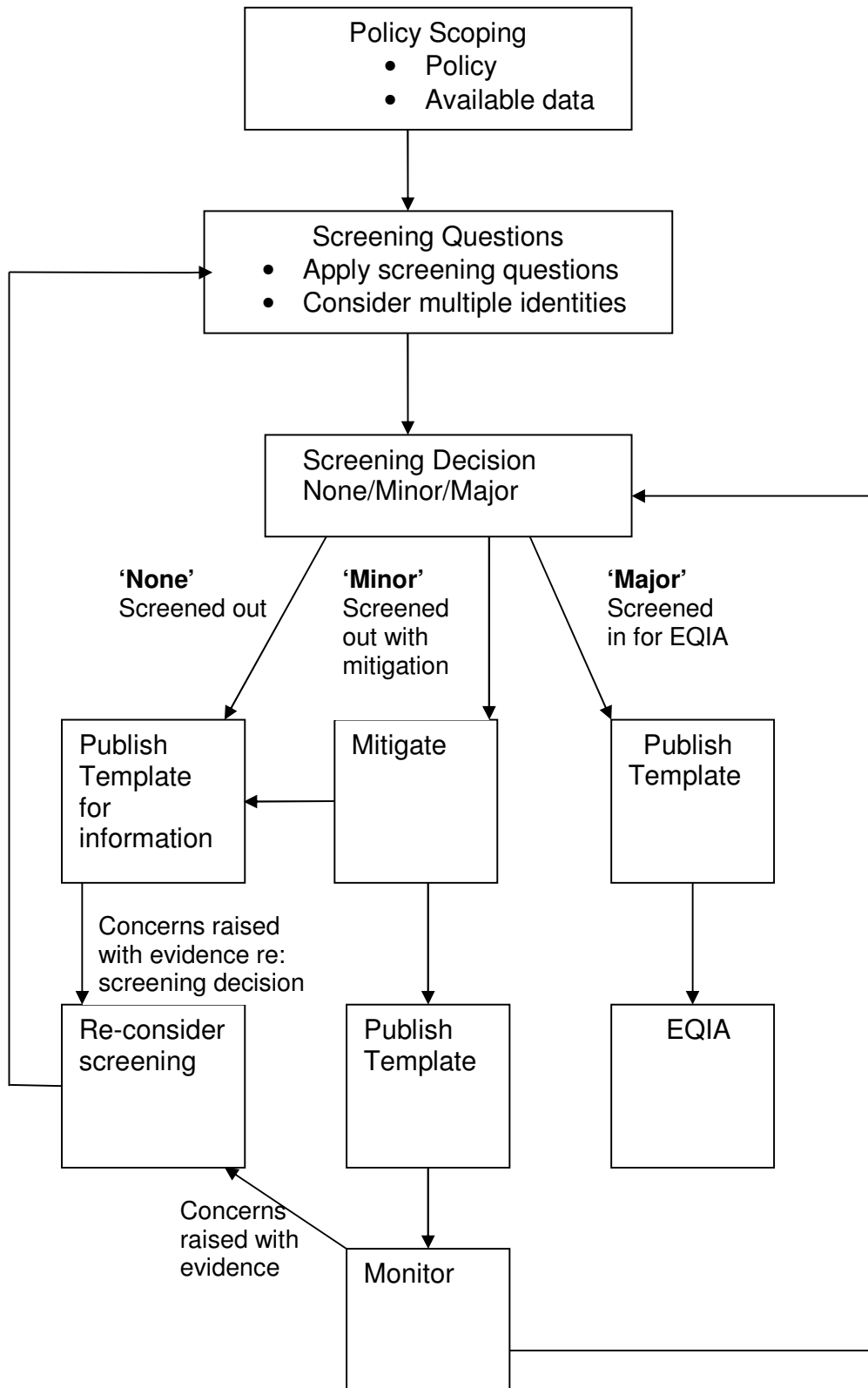
Part 2. Screening questions – asks about the extent of the likely impact of the policy on groups of people within each of the Section 75 categories. Details of the groups consulted and the level of assessment of the likely impact. This includes consideration of multiple identity and good relations issues.

Part 3. Screening decision – guides the public authority to reach a screening decision as to whether or not there is a need to carry out an equality impact assessment (EQIA), or to introduce measures to mitigate the likely impact, or the introduction of an alternative policy to better promote equality of opportunity and/or good relations.

Part 4. Monitoring – provides guidance to public authorities on monitoring for adverse impact and broader monitoring.

Part 5. Approval and authorisation – verifies the public authority's approval of a screening decision by a senior manager responsible for the policy.

A screening flowchart is provided overleaf.



Part 1. Policy scoping

The first stage of the screening process involves scoping the policy under consideration. The purpose of policy scoping is to help prepare the background and context and set out the aims and objectives for the policy, being screened. At this stage, scoping the policy will help identify potential constraints as well as opportunities and will help the policy maker work through the screening process on a step by step basis.

Public authorities should remember that the Section 75 statutory duties apply to internal policies (relating to people who work for the authority), as well as external policies (relating to those who are, or could be, served by the authority).

Information about the policy

| |
|---|
| <p>Name of the policy</p> <p>Gas (Designation of Pipelines) Order (Northern Ireland) 2019</p> |
| <p>Is this an existing, revised or a new policy?</p> <p>Existing policy.</p> |
| <p>What is it trying to achieve? (intended aims/outcomes)</p> <p>The “Gas (Designation of Pipelines) Order (NI) 2018” is a piece of subordinate legislation which the Department for the Economy proposes to make and lay in early 2019.</p> <p><i>Background</i></p> <p>Private sector developers, under gas conveyance licences granted by the Utility Regulator in February 2015 and with part-grant assistance agreed by the NI Executive, are taking forward a major project to extend the natural gas network to further towns in the West (the ‘Gas to the West’ project).</p> <p>The Department for the Economy supports extending the gas network in order to:</p> <ul style="list-style-type: none"> • Promote the development and maintenance of an efficient, economic and coordinated gas industry; |

- Extend the availability of natural gas, as a more efficient and potentially cheaper fuel, providing additional fuel choice, thus enabling businesses to improve their competitiveness in an increasingly global market place;
- Extend the availability of natural gas as a lower carbon fuel, displacing more polluting fossil fuels, thus providing environmental benefits; and
- Enable domestic consumers within the towns considered to connect to natural gas, thus contributing to reducing fuel poverty.

Proposed Designation Order

The proposed Designation Order will provide for the high pressure transmission sections of new gas pipelines from Portadown to Dungannon, and from Dungannon to Tullybroom and Tullykeneye, which are currently being laid as part of the Gas to the West project, to be designated under the provisions of Article 59 of the Energy (NI) Order 2003 for the purposes of the common transmission tariff. This means that the cost of constructing and operating the pipelines will be added to a 'postalised' pot and recovered from all gas consumers across Northern Ireland (both business and domestic) over a 40 year period through a common transmission tariff within gas bills. This in line with established policy for the economic and efficient development of the natural gas industry in NI.

The high pressure section of the gas pipeline from Maydown to Strabane, constructed as part of the first phase of the Gas to the West project, has already been designated for the purposes of the common transmission tariff in the Gas (Designation of Pipelines) Order (NI) 2016.

Are there any Section 75 categories which might be expected to benefit from the intended policy?

If so, explain how.

Extending the provision of natural gas to new areas will bring greater choice of fuel for business and domestic consumers in Strabane, Dungannon, Coalisland, Cookstown, Magherafelt, Omagh, Enniskillen and Derrylin and should help to shift the current dependence on oil or coal for household heating in Northern Ireland.

Given the wider range of budgeting options available (including the option of "Pay As You Go" pre-payment gas meters), providing natural gas in the West

could contribute towards reducing levels of fuel poverty in Northern Ireland. Fuel poverty tends to affect some Section 75 categories, such as older people, people with disabilities and lone parents, in disproportionate numbers.

Against these benefits, it is noted that postalisation of costs associated with the major new gas pipelines in the West is expected to effect a small increase in the region of 0.30% - 0.38% in gas bills for domestic and business gas consumers in Northern Ireland.

Who initiated or wrote the policy?

The Department for the Economy (DfE) in liaison with the Northern Ireland Authority for Utility Regulation (the Utility Regulator)

Who owns and who implements the policy?

The Department for the Economy (DfE) in liaison with the Utility Regulator

Implementation factors

Are there any factors which could contribute to/detract from the intended aim/outcome of the policy/decision?

If yes, are they:

financial

The strictly regulated costs of providing new gas networks in NI are ultimately passed through to consumers. However, the financial impacts of providing the new high pressure gas networks in the West have been assessed as adding only 0.30% - 0.38% to final gas bills for domestic and business customers.

legislative

Articles 59 and 60 of the Energy (NI) Order 2003 provide for “designation” of gas pipelines connected to a high pressure pipeline for the purposes of a common tariff thus socialising these costs across all gas consumers in NI.

other - please specify

Main stakeholders affected

Who are the internal and external stakeholders (actual or potential) that the policy will impact upon?

- staff
- service users
- other public sector organisations
- voluntary / community/trade unions
- other - please specify

All NI gas consumers

Other policies with a bearing on this policy – None identified

- what are they?
- who owns them?

Available evidence

Evidence to help inform the screening process may take many forms. Public authorities should ensure that their screening decision is informed by relevant data.

What evidence/information (both qualitative and quantitative) have you gathered to inform this policy? Specify details for each of the Section 75 categories.

Gas Network Extension Policy

In 2011, the Department carried out a 'Consultation on the potential for extending the natural gas network in Northern Ireland'. Responses generally showed significant support from stakeholders for extending the gas network providing that costs to existing gas consumers are minimised. It was generally agreed there are significant benefits to be gained by bringing natural gas to new areas, particularly to further towns in the West.

In 2012, as part of the subsequent development of specific proposals to extend the natural gas network to further towns in the West, the Department completed a detailed economic appraisal and prepared and consulted upon a draft Equality Impact Assessment (EQIA) on 'Gas to the West'.

The draft EQIA recognised that affordable energy, particularly heating, is essential for everyone, and that fuel poverty can affect, in particular, older people, people with disabilities, single parents and others on low income. Low income and fuel poor households are likely to find it easier to budget for their energy needs with natural gas. 'Pay As You Go' gas pre-payment meters can be topped up using relatively small amounts of money on an ongoing basis rather than requiring a significant payment at wider intervals as, perhaps, would be the case for an oil delivery. Such payment methods have proved very popular in other gas licence areas in NI.

The draft EQIA also included information on the potential (but limited) impact on gas bills of postalising some of the costs associated with the new gas network.

The Department received four substantive responses to the draft EQIA which were broadly supportive of its findings and which recognised the potential benefits of natural gas for energy consumers in the West, including those in a number of the Section 75 categories who may be more likely to experience fuel poverty. Disability Action provided some useful information on the effects of fuel poverty on people with disabilities which was incorporated into the final EQIA.

Postalisation Policy

The policy of postalising the cost of providing major new gas networks through a common transmission tariff was consulted upon separately in 2002 as part of the preparation for the implementation of the Energy (NI) Order 2003. The Energy Order subsequently put in place the powers necessary to give effect to postalisation, including giving the Department the power (Article 59) to

designate pipelines for the purpose of securing that the prices charged for conveyance of gas through designated pipelines are in accordance with a Common Tariff (Article 60).

Update on Gas to the West Impacts

In 2015, the Department updated its economic appraisal on Gas to the West following the Utility Regulator’s award of new exclusive gas licences to developers to take forward the project. The 2015 appraisal was further updated in 2018 based on the tendered costs for the main contracts for delivery of the project. Taking government grant assistance into account, it is now estimated that Gas to the West could result in an increase of 3.5% in the postalised gas transmission tariff for all gas consumers over the 40-year recovery period. As the transmission tariff represents about 10% of an overall gas bill, this increase would add around 0.30% to overall gas bills for the average household which translates to around an extra £2 per year.

| Section 75 category | Details of evidence/ information |
|----------------------------|--|
| Religious belief | |
| Political opinion | |
| Racial group | |
| Age | Fuel poverty statistics suggest that older people are disproportionately likely to find themselves in fuel poverty and vulnerable to energy costs. |
| Marital status | |
| Sexual orientation | |

| | |
|-------------------------|--|
| Men and women generally | |
| Disability | Fuel poverty statistics suggest that people with disabilities are disproportionately likely to find themselves in fuel poverty and vulnerable to energy costs. |
| Dependants | Fuel poverty statistics suggest that lone parents are disproportionately likely to find themselves in fuel poverty and vulnerable to energy costs. |

Needs, experiences and priorities

Taking into account the information referred to above, what are the different needs, experiences and priorities of each of the following categories, in relation to the particular policy/decision? Specify details for each of the Section 75 categories

| Section 75 category | Details of needs/experiences/priorities |
|---------------------|---|
| Religious belief | N/A |
| Political opinion | N/A |
| Racial group | N/A |

| | |
|-------------------------|---|
| Age | Older people may experience cold weather more harshly, requiring them to use more fuel in an attempt to warm their homes. Being able to afford to maintain a comfortable temperature for them is a priority if they are to maintain and manage potential health issues etc. |
| Marital status | N/A |
| Sexual orientation | N/A |
| Men and women generally | N/A |
| Disability | People with disabilities may experience disproportionately higher levels of fuel poverty than the general population and need access to better budgeting options for heating their homes. |
| Dependants | Lone parents may experience disproportionately higher levels of fuel poverty than the general population and need access to better budgeting options for heating their homes. |

Part 2. Screening questions

Introduction

In making a decision as to whether or not there is a need to carry out an equality impact assessment, the public authority should consider its answers to the questions 1-4 which are given on pages 10-12 of this Guide.

If the public authority's conclusion is **none** in respect of all of the Section 75 equality of opportunity and/or good relations categories, then the public authority may decide to screen the policy out. If a policy is 'screened out' as

having no relevance to equality of opportunity or good relations, a public authority should give details of the reasons for the decision taken.

If the public authority's conclusion is **major** in respect of one or more of the Section 75 equality of opportunity and/or good relations categories, then consideration should be given to subjecting the policy to the equality impact assessment procedure.

If the public authority's conclusion is **minor** in respect of one or more of the Section 75 equality categories and/or good relations categories, then consideration should still be given to proceeding with an equality impact assessment, or to:

- measures to mitigate the adverse impact; or
- the introduction of an alternative policy to better promote equality of opportunity and/or good relations.

In favour of a 'major' impact

- a) The policy is significant in terms of its strategic importance;
- b) Potential equality impacts are unknown, because, for example, there is insufficient data upon which to make an assessment or because they are complex, and it would be appropriate to conduct an equality impact assessment in order to better assess them;
- c) Potential equality and/or good relations impacts are likely to be adverse or are likely to be experienced disproportionately by groups of people including those who are marginalised or disadvantaged;
- d) Further assessment offers a valuable way to examine the evidence and develop recommendations in respect of a policy about which there are concerns amongst affected individuals and representative groups, for example in respect of multiple identities;
- e) The policy is likely to be challenged by way of judicial review;
- f) The policy is significant in terms of expenditure.

In favour of 'minor' impact

- a) The policy is not unlawfully discriminatory and any residual potential impacts on people are judged to be negligible;

- b) The policy, or certain proposals within it, are potentially unlawfully discriminatory, but this possibility can readily and easily be eliminated by making appropriate changes to the policy or by adopting appropriate mitigating measures;
- c) Any asymmetrical equality impacts caused by the policy are intentional because they are specifically designed to promote equality of opportunity for particular groups of disadvantaged people;
- d) By amending the policy there are better opportunities to better promote equality of opportunity and/or good relations.

In favour of none

- a) The policy has no relevance to equality of opportunity or good relations.
- b) The policy is purely technical in nature and will have no bearing in terms of its likely impact on equality of opportunity or good relations for people within the equality and good relations categories.

Taking into account the evidence presented above, consider and comment on the likely impact on equality of opportunity and good relations for those affected by this policy, in any way, for each of the equality and good relations categories, by applying the screening questions given overleaf and indicate the level of impact on the group i.e. minor, major or none.

Screening questions

| 1 What is the likely impact on equality of opportunity for those affected by this policy, for each of the Section 75 equality categories? minor/major/none | | |
|--|--|---|
| Section 75 category | Details of policy impact | Level of impact? minor/major/none |
| Religious belief | | None/minor |
| Political opinion | | None/minor |
| Racial group | | None/minor |
| Age | Gas network extension could provide an alternative, more easily managed fuel choice for older people in fuel poverty. All gas customers, including older people, in the existing gas areas in NI would face a small increase in their gas bills as a result of "postalising" some of the Gas to the West costs, but the estimated increase is not considered to have a significant impact on domestic consumers. | Gas to the West could, potentially, have a beneficial impact on older people in the West. |
| Marital status | | None/minor |
| Sexual orientation | | None/minor |

| | | |
|-------------------------|--|---|
| Men and women generally | | None/minor |
| Disability | Impacts on people with disabilities are as for older people above. | Gas to the West could, potentially, have a beneficial impact on people with disabilities in the West. |
| Dependants | Impacts on lone parents are as for older people above. | Gas to the West could, potentially, have a beneficial impact on lone parents in the West. |

| 2 Are there opportunities to better promote equality of opportunity for people within the Section 75 equalities categories? | | |
|---|---------------------------------|--------------------------------|
| Section 75 category | If Yes , provide details | If No , provide reasons |
| Religious belief | | See below. |
| Political opinion | | See below. |
| Racial group | | See below. |
| Age | See below. | |

| | | |
|---|------------|------------|
| Marital status | | See below. |
| Sexual orientation | | See below. |
| Men and women generally | | See below. |
| Disability | See below. | |
| Dependants | See below. | |
| <p>In line with the findings of the Department’s 2012 economic appraisal, and the 2015 and 2018 updates to the economic appraisal, the Gas to the West project proposals will make natural gas available to as many domestic households in the West as is economically viable, i.e. without increasing gas bills for all gas consumers significantly. Furthermore, the NI Executive has agreed to provide grant assistance in order to reduce the potential impact on gas bills. In the latest estimates, it is projected that recovering the costs of constructing the new high pressure gas pipelines in the West from gas consumers over a 40-year period will add around £2 to the average annual gas bill for a domestic household in Northern Ireland.</p> <p>Making natural gas available to further towns in the West on the basis of “postalising” some of the major costs may help to address the issue of fuel poverty which particularly affects older people, people with disabilities, lone parents and others on low incomes, as well as reducing carbon and other greenhouse gas emissions.</p> | | |

| 3 To what extent is the policy likely to impact on good relations between people of different religious belief, political opinion or racial group? minor/major/none | | |
|--|--------------------------|-------------------------------------|
| Good relations category | Details of policy impact | Level of impact minor/major/none |
| Religious belief | | None |
| Political opinion | | None |
| Racial group | | None |

| 4 Are there opportunities to better promote good relations between people of different religious belief, political opinion or racial group? | | |
|---|---------------------------------|--------------------------------|
| Good relations category | If Yes , provide details | If No , provide reasons |
| Religious belief | | None |
| Political opinion | | None |
| Racial group | | None |

Additional considerations

Multiple identity

Generally speaking, people can fall into more than one Section 75 category. Taking this into consideration, are there any potential impacts of the policy/decision on people with multiple identities?

(For example; disabled minority ethnic people; disabled women; young Protestant men; and young lesbians, gay and bisexual people).

Provide details of data on the impact of the policy on people with multiple identities. Specify relevant Section 75 categories concerned.

The most vulnerable people, and those most likely to experience fuel poverty may fall into several Section 75 categories, e.g. older people with disabilities, and single women with dependents. Extending the gas network further into the West on the basis of postalising some of the costs to ensure that the project is economically viable should have a positive impact on these people by providing access to a source of more easily budgeted energy.

Part 3. Screening decision

If the decision is not to conduct an equality impact assessment, please provide details of the reasons.

A full EQIA is not deemed necessary. Gas network extension to the West policy has already been subjected to a full EQIA, including consideration of the impacts which postalisation policy might have on gas bills. Based on existing research and responses to the earlier consultations, the Department considers that extending the gas network to further towns in the West should benefit individuals by bringing greater fuel choice and helping to shift the dependence on oil and coal for household heating, as well as helping to reduce fuel poverty.

Taking forward the Gas (Designation of Pipelines) Order (NI) 2019 as part of the Gas to the West project is implementing existing policy which has been designed to ensure the economic and efficient development of the NI gas industry in accordance with the Department's statutory duties.

If the decision is not to conduct an equality impact assessment the public authority should consider if the policy should be mitigated or an alternative policy be introduced.

N/A - Gas network extension to the West has already been subjected to a full EQIA and grant assistance to mitigate the impact of increases in gas bills for all gas consumers in Northern Ireland has been approved by the NI Executive.

If the decision is to subject the policy to an equality impact assessment, please provide details of the reasons.

N/A

All public authorities' equality schemes must state the authority's arrangements for assessing and consulting on the likely impact of policies adopted or proposed to be adopted by the authority on the promotion of equality of opportunity. The Commission recommends screening and equality impact assessment as the tools to be utilised for such assessments. Further advice on equality impact assessment may be found in a separate Commission publication: Practical Guidance on Equality Impact Assessment.

Mitigation

When the public authority concludes that the likely impact is 'minor' and an equality impact assessment is not to be conducted, the public authority may consider mitigation to lessen the severity of any equality impact, or the introduction of an alternative policy to better promote equality of opportunity or good relations.

Can the policy/decision be amended or changed or an alternative policy introduced to better promote equality of opportunity and/or good relations?

If so, give the **reasons** to support your decision, together with the proposed changes/amendments or alternative policy.

Grant assistance up to a maximum of £32.5m was approved by the NI Executive in 2013 in order to reduce the impact on gas bills of some Gas to the West costs.

Timetabling and prioritising

Factors to be considered in timetabling and prioritising policies for equality impact assessment.

If the policy has been ‘**screened in**’ for equality impact assessment, then please answer the following questions to determine its priority for timetabling the equality impact assessment.

On a scale of 1-3, with 1 being the lowest priority and 3 being the highest, assess the policy in terms of its priority for equality impact assessment.

| Priority criterion | Rating (1-3) |
|--|--------------|
| Effect on equality of opportunity and good relations | |
| Social need | |
| Effect on people’s daily lives | |
| Relevance to a public authority’s functions | |

Note: The Total Rating Score should be used to prioritise the policy in rank order with other policies screened in for equality impact assessment. This list of priorities will assist the public authority in timetabling. Details of the Public

Authority’s Equality Impact Assessment Timetable should be included in the quarterly Screening Report.

Is the policy affected by timetables established by other relevant public authorities?

If yes, please provide details

N/A

Part 4. Monitoring

Public authorities should consider the guidance contained in the Commission’s Monitoring Guidance for Use by Public Authorities (July 2007).

The Commission recommends that where the policy has been amended or an alternative policy introduced, the public authority should monitor more broadly than for adverse impact (See Benefits, P.9-10, paras 2.13 – 2.20 of the Monitoring Guidance).

Effective monitoring will help the public authority identify any future adverse impact arising from the policy which may lead the public authority to conduct an equality impact assessment, as well as help with future planning and policy development.

Part 5 - Approval and authorisation

| Screened by: | Position/Job Title | Date |
|---------------------|--|-------------|
| Fred Frazer | Gas Policy Branch | 21/12/18 |
| Approved by: | | |
| June Ingram | Head of Energy Markets and European Relations Division | 31/12/18 |

Note: A copy of the Screening Template, for each policy screened should be 'signed off' and approved by a senior manager responsible for the policy, made easily accessible on the public authority's website as soon as possible following completion and made available on request.