

NATIONAL BARGEE TRAVELLERS ASSOCIATION

EVIDENCE TO ENERGY SECURITY AND NET ZERO COMMITTEE INQUIRY *PREPARING FOR THE WINTER*

Summary

This evidence submitted by the National Barge Travellers Association (NBTA) summarises the difficulties experienced by boat dwellers both on moorings and without a permanent mooring in accessing the Energy Bills Support Scheme - Alternative Funding (EBSS-AF) and Alternative Fuel Payment - Alternative Funding (AFP-AF).

We set out the consequences of the exclusion of the majority of the boat dweller community from the schemes.

We detail the steps taken by the NBTA to explain to the Department of Business, Energy and Industrial Strategy (BEIS) why the schemes were not accessible to boat dwellers and what the Government should have done to remedy this.

We answer the following questions put by the Inquiry:

- What more could have been done to prevent price shocks being passed to consumer bills?
- Has Ofgem got its priorities right in addressing customer protection?
- Is the legislative framework on pricing controls suitable for protecting consumers?

Our answers set out how the market in domestic fuels for off-grid households is unregulated; what regulation is needed to protect off-grid consumers; and what the Government should do to protect these households in future.

1 Introduction

- 1.1 This evidence is submitted by the National Barge Travellers Association (NBTA). The NBTA is a volunteer organisation formed in 2009 that campaigns and supports Barge Travellers: itinerant boat dwellers without a permanent mooring. The NBTA is the only national organisation in Britain dedicated to these functions.
- 1.2 The NBTA has 1,500 members on the major navigation authorities' waterways and beyond. The NBTA Casework Team deals with approximately 200 cases each year.
- 1.3 The navigable inland waterway system in Britain is home to an estimated 30,000 to 50,000 itinerant boat dwellers.

2 Heating and use of fuel on live aboard boats

Propulsion

- 2.1 The majority of inland and coastal boat engines are fuelled by red or white diesel (depending on the taxation regime) or petrol. Some are driven by solar/diesel/electric propulsion systems. A small minority of engines are driven by other methods including steam and pedal power.

Electricity

- 2.2 Some permanent moorings, especially in marinas, have hook-ups to mains (240v) electricity. However, the majority of Bargee Travellers and static boat dwellers generate electricity off-grid by using a petrol or diesel generator or the boat's engine to charge 12v batteries.
- 2.3 Solar panels and to a lesser extent, wind generators, are becoming more common on boats. Depending on the electricity consumption, these can replace the use of fossil fuels to generate electricity during the summer months. In winter the lack of daylight reduces the effectiveness of solar panels. Electricity generation has to be supplemented with another source. In addition overhanging trees, and in urban areas overshadowing by high-rise buildings, limits the effectiveness of solar panels.
- 2.4 The use of mains electricity is not usually possible along the line of the waterway, which is where Bargee Travellers are able to moor. In addition, not all boats are adapted to use 240v electricity hook-ups.

Heating and cooking

- 2.5 Most boats are heated using a solid fuel stove, sometimes connected via a back boiler to radiators to heat other rooms in the boat and/or to heat water. Solid fuel stoves are used to burn wood, coal or coal substitutes such as compressed wood waste briquettes. Some boats are heated and/or produce hot water with a diesel heater or by using waste heat produced by a running engine. A few boats are heated using electricity or bottled LPG gas. The vast majority of boats use bottled LPG gas for cooking; some boats have a solid fuel appliance used for both cooking and heating, and occasionally boats will have a cooker that runs on diesel.
- 2.6 Water is heated either by a boiler that runs on bottled LPG gas; a calorifier that heats the water when the boat engine is running; a diesel heater, or a back boiler on a solid fuel stove. Boats that are homes are classed as private recreational craft by HMRC and the use of red diesel is permitted in all of the UK apart from Northern Ireland, subject to reduced rates of VAT. Biodiesel is also an option in areas where it can be supplied.

3 Population data

- 3.1 There are currently no accurate statistics for the number of people living on boats either with or without a permanent mooring in the UK. The NBTA estimates that there are around 50,000 people in the UK living on boats without a permanent mooring, including Scotland and coastal waters and estuaries.
- 3.2 The 2021 Census identified 105,000 itinerant people (such as boat dwellers and roadside travellers) but there was no further breakdown of population. Friends, Families and Travellers believes that there are approximately 50,000 roadside travellers.
- 3.3 In 2022 there were 7,130 boats licensed without a permanent mooring on Canal & River Trust (CRT) waterways of which 800 are recreational users and thus 6,330

itinerant boat dwellers. There were also 8,300 boat dwellers on permanent moorings. A further 2,390 hold business licences and some live on the boat from which they trade.

- 3.4 There are 20 additional navigation authorities, the largest of which are the Environment Agency, Broads Authority and Middle Level Commissioners. There are some navigation authorities with no licencing regime. There are some waters without a navigation authority. There are countless coastal harbour authorities. Not all navigation authorities record whether or not a boat has a mooring.

4 The Energy Bills Support Scheme - Alternative Funding (EBSS-AF) and Alternative Fuel Payment - Alternative Funding (AFP-AF)

- 4.1 The Energy Bills Support Scheme - Alternative Funding (EBSS-AF) (£400) and Alternative Fuel Payment – Alternative Funding (AFP-AF) scheme (£200) ran from 27th February to 31st May 2023. Those who lived on a boat without a permanent mooring were blocked from applying (as were certain other groups) and the application web page for the scheme stated that this was “under review” for the whole time the scheme was running.

- 4.2 On 17th August 2023 the EBSS-AF was extended to include itinerant boat dwellers licensed by CRT. This grant would be for £600 (the combination of EBSS-AF and AFP-AF) and was named Energy Bills Support Scheme – Alternative Funding – Continuous Cruisers (EBSS-AF-CC). This was given to 7,130 licensees, approximately 14% of the demographic. See section 10 below.

- 4.3 The remaining boat dwellers are still excluded from receiving any energy grant, contrary to the promise of the Secretary of State made on 26th May 2022 that “every household” would receive a grant.

5 Boat dwellers who are still excluded from the EBSS-AF schemes

- 5.1 Less than 5% of moorings have planning consent for residential use with a dedicated postal address on the Postcode Address Finder (PAF). Most boat dwellers who live on permanent moorings are on leisure moorings, with no formal consent for residential use or PAF address.

- 5.2 A significant majority of boat dwellers living on permanent leisure moorings, on all navigation authorities’ waterways, are still excluded from the EBSS-AF schemes because they do not have a PAF address for their boat, an eligibility criterion for EBSS-AF.

- 5.3 This exclusion is compounded by the Government’s erroneous assumption when designing the grant scheme that all moorings were “registered moorings”, and therefore have a dedicated address thus proving “household”. Most boat dwellers on leisure moorings were unable to apply successfully when the EBSS-AF schemes were open between February and May 2023. They are now excluded from claiming altogether; the Government guidance on EBSS-AF-CC states that:

“You will not be eligible for this voucher if you have a permanent home mooring and did not apply before the scheme available to you closed.”

5.4 EBSS-AF-CC was specific to CRT waters. Itinerant boat dwellers on the 20 other navigation authorities' waterways are still excluded from receiving a grant.

6 Boat dwellers excluded from 2022 Government consultation

6.1 A Government consultation on the proposed EBSS ran from 11th April to 23rd May 2022. However, no organisations that represent boat dwellers, Travelling communities or other people living off-grid were invited to respond, nor were they aware of the consultation. The consultation findings, published on 29th July 2022, stated that the Government was aware of 400,000 households who do not qualify for the scheme [1]:

*“Households without a domestic supply contract
Evidence suggests at up to 400,000 would not receive EBSS support due to these circumstances ... An announcement with details on how and when these households across Great Britain can access this support will be made this autumn.”*

[1] See https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1096205/energy-bills-support-scheme-government-response.pdf

7 Second home owners, boat dwellers and fraud allegations

7.1 The EBSS-AF scheme was operated by the Department of Business, Energy and Industrial Strategy (BEIS) now Energy Security and Net Zero (ESNZ). The scheme was approved by the Treasury in the early summer of 2022, cleared through the Cabinet Office Grants Management Function and announced on 21st October 2022. See <https://www.gov.uk/government/publications/energy-prices-bill-how-households-and-businesses-will-be-supported> The scheme was managed by the Deputy Director-General (DDG).

7.2 In a face-to-face meeting on 13th January 2023 between the Legal Officer of the NBTA, and the DDG (see para 9.5 below), the DDG stated that second home owners, some of the wealthiest people in the country, were paid multiple EBSS grants for each of their homes and these payments were made automatically by the electricity supplier without any scrutiny by Government nor any attempt to find and reclaim duplicate payments.

7.3 Conversely boat dwellers who wrote to MPs about their continued exclusion were repeatedly told by Amanda Solloway MP, the Minister responsible for the EBSS Schemes that:

“To protect public funds against potentially fraudulent activity, we require applicants to show proof of address, such as a valid UK driver’s licence, a recent utility bill or a tenancy agreement. Because of this we understand some households may not be able to prove they are a resident in a boat and that it is their main or sole residence. This would include households on boats not on registered moorings, such as continuous cruisers. This means they won’t be able to receive the EBSS AF at present, but the Government is keen to support these households to ensure they can receive energy bills support. We are working to find an acceptable method for these households to provide proof of eligibility, whilst protecting public funds, so they can claim EBSS AF support.”

7.4 No such concerns about fraud were expressed in connection with second home owners, indeed the Government is still unable to identify all of the estimated £200 million in EBSS grants that were paid for a second or third home. The over-emphasis on fraud in connection with Travelling communities is offensive and discriminatory, especially given the huge differences in wealth between second home owners and itinerant communities.

8 Petition

8.1 The NBTA started an online petition to include off-grid households in the EBSS. See: <https://you.38degrees.org.uk/petitions/include-off-grid-households-in-government-ps400-energy-bills-support-scheme>

8.2 It is relevant to note that the call-to-action in the petition included a call to “write to your MP”. See paragraph 9.3 below.

8.3 The petition gained 5,494 signatures and was delivered on 19th June 2023 to 10 Downing Street by a flotilla of boats that had travelled from Braunston, Northamptonshire. No acknowledgement or response has been received from the Government.

9 Engagement between BEIS / ESNZ and the NBTA

9.1 BEIS engaged with the NBTA and other organisations representing boat dwellers and Travellers and the Department for Levelling Up, Housing & Communities (DLUHC) on 24th October 2022 in a technical Zoom session to examine the issues surrounding delivery of EBSS-AF to itinerant households.

9.2 In particular the design of the online application process was discussed in detail so that it could include itinerant households. The representative groups were unanimous in telling BEIS that their communities would not be able to provide a residential address and their identity and eligibility could not be verified in this way. Other methods were proposed, such as using the National Insurance number or NHS number to prove eligibility.

9.3 BEIS then disconnected, the contact centre being closed, communication with named personnel by email only and the SoS, the Minister, the PS and the DG all declined to respond to the public, the NBTA, MPs or Peers. This came to the attention of the NBTA when, in late October 2022 inquiries from MPs and Peers started coming in seeking advice.

9.4 All grants are managed within a framework of documents, the first of which is “Guidance for General Grants. Minimum Requirement One: Senior Officer Responsible for a Grant; 31-08-2021” (the document set referred to as the “Guidance”).

9.5 The Grant Manager of EBSS-AF (within the scope of paragraph 13 of the first document of the Guidance) (the DDG) was identified to the Legal Officer of the NBTA.

- 9.6 The NBTA Legal Officer spoke to the DDG by phone at length on 12th December 2022; he did not speak to the Named Senior Officer Responsible (SOR) (as specified in the Guidance)
- 9.7 The NBTA Legal Officer then delivered to BEIS on 16th December 2022 a paper laying out the issues and potential solutions.
- 9.8 The NBTA Legal Officer also spoke to the Cabinet Office Grants Function Team. The Guidance specifies that:
“This guidance applies only to general grants made by departments ... using Exchequer funding. It does not apply to formula grants or grant in aid.”
- 9.9 The Guidance also specifies that:
“This guidance should be approached on a comply or explain basis. It is important to consider flexibility and proportionality in adhering to the minimum requirements. As such there may be some specific instances where the requirements may not be met in full. In these instances, appropriate justification should be recorded within the business case or equivalent approval documents.”
- It was clear that a business case had been prepared for EBSS-AF and this included, from inception, eligibility criteria.
- 9.10 The NBTA Legal Officer also spoke at length to the Manager of the “Spotlight” service operated by the Cabinet Office. Spotlight is a back-office credit-checking service linked to personal datasets from DWP, HMRC and other governmental departments.
- 9.11 Spotlight is also linked to the private sector credit-checking service provided by Experian, which in turn is fed from bank account data. Given the rigours of the “know your client” protocol mandated by the five Money Laundering Directives this is an extremely strong system.
- 9.12 Licenced Spotlight subscribers within Government gain access to a cloud-based control panel that allows them to scrutinise and make decisions based on an applicant’s responses to questions posed by a given application process.
- 9.13 The NBTA Legal Officer was informed that in the case of the design of the EBSS-AF scheme:
- (a) an applicant for EBSS-AF was to apply using a page built on gov.uk
 - (b) an information triple of name, address and bank account identity was to then be sent to Spotlight
 - (c) spotlight would then confirm back to BEIS the credentials of the applicant
 - (d) BEIS would then serialise the application (confirmation number)
 - (e) data Items (a), (b), (c) and (d) would then be sent to the Local Authority consistent with the address Item (b)
 - (f) the Local Authority Item (e) had certain discretion but only within very tight bounds to conclude the application;
 - (g) the Local Authority Item (e) would then put the grant into payment using its own budget, provided by the Treasury, and make returns to the Treasury as normal;
 - (h) the Local Authority Item (e) would be audited in the normal way;
 - (i) steps Items (a) to (e) were done without Governmental human intervention; and

- (j) (latterly) a help desk was established that (i) applicants could call for advice and (ii) be assisted through the application process Item (a), but not exercise any discretion in relation to the application itself.

- 9.14 On 13th January 2023 The NBTA Legal Officer met with the DDG at BEIS. They discussed the EBSS-AF schemes at length including designing, in the meeting:
- (a) technical work-arounds for the implementation as it stood at the time; and
 - (b) on the suggestion of the DDG, a financial work-around relying on the Household Support Grant (which failed as a plan for a wide range of reasons).
- 9.15 The key element of Item 9.14(a) was that in the case of EBSS a PAF address and Meter Point Administration Number (MPAN) was implied (the property to which the electricity supply was delivered) whereas with EBSS-AF this was by definition absent. Instead two addresses should be used: (1) a PAF address (assumed to be a care-of address) for correspondence and (2) a more loosely defined non-PAF address geo-locating the boat and thus defining the Local Authority to which the application should be sent (see paragraph 9.13(e)).
- 9.16 The DDG agreed to take these design changes back to the Minister for approval. The Minister declined these changes.
- 9.17 The NBTA Legal Officer also carried out two "secret shopper" exercises (1) on 4th February 2023 during the pilot phase of the EBSS-AF and (2) on 23rd February 2023 on the nationwide roll-out. The "secret shopper" on 4th February demonstrated a failed system and NBTA reported a bugs list to the DDG on 4th February. None of the bugs were fixed.
- 9.18 No progress was made. Despite the meeting of 24th October 2022 another meeting between BEIS and the same representative organisations took place on 6th March 2023. The meeting was fractious and the NBTA made a written guidance submission to BEIS on 9th March 2023.
- 9.19 The same issues of how itinerant communities could prove their identity without a residential address being required were discussed in the meeting. The NBTA identified that on inception of EBSS-AF, BEIS had requested from Spotlight simplified data that meant that the EBSS-AF eligibility criteria could never be achieved by an itinerant boat-dweller. The same observations were made regarding how itinerant boat-dwellers were locked-out of the scheme on flimsy grounds. The same proposals were made by NBTA and others for how community members could prove their identity. The same absence of progress by BEIS on delivering EBSS-AF to our communities was manifest.
- 9.20 The NBTA is aware that in subsequent judicial review proceedings the BEIS business case (including eligibility criteria) made to the Cabinet Office Grants Function Team was requisitioned under disclosure but refused. An FOI request was also refused and is being referred to the Information Commissioner.

10 Involvement of Canal & River Trust (CRT)

- 10.1 CRT also had contact with BEIS over this period and offered to assist in the process of proving the identity of EBSS-AF applicants via its database of boat licences, which can identify licence holders without a permanent mooring. CRT sought guidance from

the NBTA in December 2022. The NBTA Legal Officer asked the manager of Spotlight if “government data sets” included “navigation authority licence data” and the manager stated this was absent, that it would be complicated (and expensive) to include it and there were no plans to do this.

10.2 On 17th August 2023, over a year since EBSS-AF was announced, CRT announced that boaters licensed without a permanent mooring on its waterways between 27th February and 31st May 2023 would receive EBSS-AF-CC. Licensees were told to confirm their details to CRT by 21st August 2023.

10.3 The NBTA spoke to the Head of Boating at CRT who confirmed that on 21st August 2023 a database of licensees would be sent to ESNZ for the issue of a voucher redeemable for cash. The database would (1) include approximately 7,000 itinerant boat dwellers (licenced under s.17(3)(c)(ii) British Waterways Act 1995) that also included approximately 800 leisure boaters, and (2) exclude mooring holders licenced under s.17(3)(c)(i) of the Act (thus boat dwellers on moorings but with no PAF address for the mooring).

11 Conclusions

11.1 When taken together this evidence means:

- (a) that because of the Guidance EBSS-AF must have been cleared by the Treasury and the Cabinet Office;
- (b) clearance included scrutiny of a business case and (in this case) the business case was signed off by the Minister;
- (c) the essential objective of EBSS-AF was to deliver one grant to the most needy;
- (d) proportionality is mandated in striking the balance between (i) protecting public funds and (ii) executing the essential objective of EBSS-AF;
- (e) it became clear that itinerants were excluded from EBSS;
- (f) it became clear that itinerants were also technically excluded from EBSS-AF;
- (g) the technical remedial steps to resolve the exclusion were refused by the Minister, implying that the Minister was excluding itinerants as a policy; and
- (h) the Minister was citing “protecting public funds” as a basis for absolutely excluding itinerants (in spite of the fact that the protection required was provided on strong terms by Spotlight) yet second home owners received duplicate grants.

12 What more could have been done to prevent price shocks being passed to consumer bills?

12.1 The EBSS-AF schemes should be re-opened so that the following excluded groups can apply retrospectively:

1. Bargee Travellers (boat dwellers without any permanent mooring) on the 20 other navigation authorities’ waterways apart from CRT; on waterways where there is no navigation authority, and on coastal waters.
2. Boat dwellers on all inland and coastal waters who live on leisure moorings without their own residential address: this is the majority of boaters who live on a mooring.

3. All other groups who were unable to access the scheme due to not having an address listed on the PAF or falling outside the categories specified.
4. In future any such scheme should use a different method of proving the identity of grant applicants, other than demanding a residential address.

12.2 The Government should have stepped in to regulate the price of all domestic heating, lighting and cooking fuels, including those used by off-grid households. This includes petrol, red, white and bio diesel, bottled LPG gas, coal, peat, paraffin, wood, wood pellets, briquettes, heat logs etc. The Government should regulate the prices of the above fuels as a matter of urgency before the winter 2023-24.

12.3 Rapid inflation in 2022 and 2023 meant that petrol and diesel prices have risen by almost 50% and bottled LPG by around 40% compared to 2021. The wholesale cost of LPG doubled in the year to June 2022. The cost of solid fuel started to increase in mid-2021. Buying a gas bottle or a week's supply of coal is becoming less and less affordable for boat dwellers.

12.4 Most people who live on boats are either working people on low incomes, or pensioners. Research [2] has shown that 51% of the live aboard boater community were likely to have an annual income below £20,000, and 40% were likely to be earning minimum wage or less. The rising cost of living means that some are having to rely on food banks and the generosity of others. Some reported during the winter of 2022-23 that they were living in freezing cold boats they could not afford to heat, including people who were ill with lung conditions. Some were and still are contacting NBTA for advice because they got into debt to pay for heating fuel over the winter 2022-23 and are desperately worried about winter 2023-24. Some reported burning rubbish, old clothes and stolen wood in a desperate attempt to keep warm.

[2] Research to identify impacts of British Waterways policy on boat dwellers without moorings, by Kennet and Avon Boating Community and similar research regarding the live aboard boater community in London in 2011.

13 Has Ofgem got its priorities right in addressing customer protection?

13.1 Ofgem's role should be extended to develop a strategy and a plan to protect off-grid fuel consumers from unaffordable price increases and as far as possible from fuel shortages.

13.2 Ofgem should regulate the prices of all domestic fuels, not just those used by the majority of households. It should regulate companies such as Calor, Flogas, K.G. Smith, etc that provide fuel to those living off-grid.

13.3 Ofgem must recognise that some of the poorest households in the UK live off-grid, often because they cannot afford to live in conventional housing, and that they deserve the same protection from unaffordable prices for heating their homes.

13.4 Ofgem should step in and prevent Calor from restricting the supply of certain smaller sizes of gas bottles and work with Calor, Flogas etc to increase the supply and reduce the cost of bottled LPG gas, which many households rely on. Research conducted by the NBTA in 2016 indicated that 13kg LPG bottles (the largest practicable size on a boat for technical reasons) costs approximately 2.5 times that of

mains gas whereas LPG in 47kg bottles (used for off-grid central heating in houses) is nominally the same price as mains gas.

14 Is the legislative framework on pricing controls suitable for protecting consumers?

14.1 No. Off-grid consumers need protection from the price increases they have suffered in the past 18 months due to an almost completely unregulated market in solid fuels, bottled gas and other fuels used by off-grid customers but not used by the majority of the population.

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August 2023**

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