

Smart Energy Advice Forum

Summary of the key findings.

Stakeholder engagement workshop | 16 October 2024 | In person and online |
Organised by the Centre for Sustainable Energy in partnership with National Grid Energy Distribution.



Executive Summary

The smart energy transition has the potential to contribute to net zero goals, reduce bills, and improve energy security. However, it requires a shift in how we think about and use energy. We risk creating a two-tiered energy system, where those who can afford new technologies and are able to engage with smart energy offers pay significantly less for their energy than those on lower incomes or without the necessary capabilities to benefit from the smart energy transition.

To help address this, the Centre for Sustainable Energy is building a thorough understanding of the barriers to engaging in the smart energy transition faced by people in vulnerable circumstances, and the barriers that advice organisations face in supporting them.

We shared our insights at the Smart Energy Advice Forum, a stakeholder engagement workshop hosted in partnership with National Grid. Over 50 organisations attended. We gathered their feedback on whether their experiences supporting people to engage with smart energy offers aligned with our own and whether there were any areas we had missed. We also explored how organisations are looking to overcome the barriers they had come across. We found that the picture was similar across all the organisations we spoke to.

Key findings from the Smart Energy Advice Forum

Barriers identified:

- Distrust in smart meters, suppliers and new technology.
- Difficulty fixing smart meter issues. This presents both a practical barrier to accessing smart offers and adds to mistrust and misinformation.
- Complicated smart tariffs and technology. People in vulnerable circumstances often don't have the time or energy to understand the options, or the finances to risk investing in something new.

How advice organisations can overcome these barriers:

- Providing personalised advice – in person or on the phone.
- Sharing easy-to-understand resources.
- Training advisors on the new technologies.

Wider action required across the energy industry:

- Greater funding for local, impartial energy advice organisations to give smart energy advice.
- Greater funding to allow more people to access low-carbon technologies.
- Fixing the issues with the smart meter roll-out, including via stronger regulation (and enforcement) of energy suppliers.



Workshop Overview

As part of our [Smart and Fair Programme](#), we sought input from organisations providing energy advice to people in vulnerable circumstances. Our goal was to understand the challenges they face in supporting individuals to engage in the smart energy transition. We wanted to know if their experiences aligned with our own at CSE, or if they had encountered different challenges or found solutions we hadn't considered.

We facilitated a hybrid workshop in collaboration with National Grid, with 76 attendees from 56 organisations.

During the session, we shared our insights based on:

- Feedback from last year's National Grid stakeholder event on this topic.
- Survey responses collected from attendees prior to the workshop.
- CSE's experience in delivering smart energy advice.
- Relevant research conducted as part of our Smart and Fair programme.



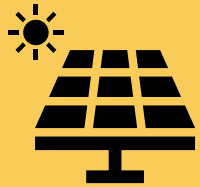


What do we mean by the smart energy transition?



Low Carbon Heating

To move away from fossil fuel-based heating systems, we will have to switch to air and ground source heat pumps to heat our homes and water. Electric boilers and solar thermal will also play a role.



Solar and Batteries

As we move away from gas, we need generate and store more low-carbon electricity to meet our energy needs, through technologies like solar panels and batteries.



Dynamic tariffs

Dynamic tariffs offer cheaper rates when there is plenty of energy in the grid, such as when the sun is shining, or the wind is blowing. If people can shift their usage to these times they can make significant savings.



Smart technologies

Smart appliances, plugs, and immersion heaters can turn on when energy prices are low, helping to reduce usage during peak times. Smart heating controls allow you to adjust your heating remotely.



Barriers to engaging with the smart energy transition

High upfront costs and perceived financial risk

Smart meter issues and difficulty resolving them

Smart meter and supplier distrust

Complexity and distrust of technology

Homes or circumstances being unsuitable for technologies

High upfront costs and perceived financial risk

Many people cannot afford the high upfront costs of installing technologies like heat pumps, solar panels and smart heating controls.

While grant schemes such as the Home Upgrade Grant Scheme (HUGS), Energy Company Obligation (ECO4) and Boiler Upgrade Scheme (BUS) are available, attendees stated that they were difficult to access, and too small in scale. Even when these are successful, people are wary of the higher cost of heating their homes using heat pumps.

Unlike smart technologies, offers like smart tariffs have no upfront costs. Despite this, these offers are perceived to be riskier, particularly by middle- and low- income people, as they often have periods of 'peak' prices during the day, can be more difficult to budget for and aren't protected under the price cap.



Solutions identified

Greater, targeted and long-term funding that increases access to low-carbon technologies for people in fuel poverty and vulnerable situations and unlocks the benefits of flexibility.

Clear informative resources providing advice on the ongoing costs and savings to be expected from different technologies or tariffs, as well as how to maximise these savings. Provided in a range of mediums (print and online including videos) to meet a range of accessibility needs.

Training for energy advice organisations on low carbon technology and smart energy that is tailored to people in fuel poverty and vulnerable situations. Training should help advisors to feel confident explaining the different options, risks, costs, and provide reassurance and clarity to people they support.

Smart meter issues and difficulty resolving them

Many smart meters are not communicating with suppliers for various reasons. Sometimes they are installed but not commissioned, other times they are installed but have signal issues. When a smart meter can't communicate with the supplier, the customer misses out on some benefits of a smart meter such as accurate bills and access to time-of-use tariffs.

It can be difficult for people to get these issues resolved with their supplier. People in vulnerable circumstances often need the support of an advice organisation to take the issues to the energy ombudsman before the supplier agrees to resolve the issue.

With over 4 million smart meters in the UK are not communicating properly. This is not only a large-scale practical barrier to engaging in the smart energy transition, it also contributes to smart meter distrust.



Solutions identified

Greater requirements for suppliers to resolve smart meter issues and more thorough enforcement of this.

A requirement for suppliers to report on non-communicating smart meter numbers and only be able to count an installed smart meter once it has been commissioned.

Compensation scheme for customers when they are unable to access smart tariffs while they wait for their meter to be fixed.

New technology to overcome signal issues with smart meters.

Smart meter and supplier distrust

It is hard for advice organisations to engage customers on smart energy options if they have concerns about smart meters. Many people are distrustful because of the high proportion of malfunctioning smart meters and the difficulty getting issues resolved. There are also common concerns about privacy (how the information from smart meters is used and shared) and out-of-date misinformation about first generation smart meters.

Such low confidence in suppliers makes it harder to convince someone to switch to a smart tariff, even if it could offer them substantial savings. People feel that if their supplier can't get even the simple things right with their standard tariff bills, they don't trust them to get more complicated bills correct.



Solutions identified

Fix the issues with the smart meter rollout and place greater requirements on suppliers to resolve smart meter issues. This would rebuild trust, in turn increasing uptake.

Develop an industry-wide, cohesive energy transition communication strategy – including making the real benefits of smart meters (impact on grid, cost of energy and net zero) clear to the public.

Increased funding for the provision of personalised advice from trusted, local organisations. This could be provided face-to-face or over the phone. Personalised advice is more engaging than generic advice and enables people to voice their concerns. Face-to-face advice can be particularly impactful in building trust and interest.

Clear, informative resources that address smart meter misconceptions and misinformation.



Complexity and distrust of technology

Low carbon and smart technology options are often complicated and difficult to understand. People are naturally wary of new technologies.

People in vulnerable circumstances often don't want to be in the first wave of people adopting something new, as they worry about the financial and time risk if problems arise. Those that do opt to have new technology installed through a grant often don't get the support they need post-installation to understand how best to use their new device.

It can also be hard for advice organisations to keep up in a rapidly changing environment with new technology and tariffs becoming available frequently.

Solutions identified

Funding for high quality advice from local organisations who are impartial and can support people to understand the options available to them. This should include advice on how to make the most of the technologies after they've been installed, for example, through retrofit grant schemes.

Training for energy advice organisations on low carbon technology and smart tariffs as well as successful approaches to engaging people in vulnerable circumstances on these topics.

Clear, informative resources on the different smart technology options to help people understand what they would mean for their home and lifestyle and help them to effectively compare options. This will enable people to make informed decisions on the smart energy options that are right for them.



Homes or circumstances being unsuitable for technologies

Many people live in homes that are unsuitable for certain technology or tariffs. For example, they might not have adequate signal for a smart meter, they might have a prepayment meter, or older night storage heaters that don't work with most time-of-use tariffs.

People in vulnerable circumstances might not have the time, energy or ability to flex their usage. This includes those whose language or digital skills exclude them from being able to engage with the necessary technology.

Those living in rented accommodation have less choice about how they can engage in the smart energy transition. Attendees identified that tenants are often nervous to ask their landlord if they can get a smart meter or a grant for low carbon technology to be installed.

Solutions identified

A more inclusive and diverse range of smart energy options are needed, including for people who don't have low carbon technology, or those who have prepayment meters or night storage heaters. Technological solutions are needed to resolve widespread signal issues.

Policy changes to make sure that more offers are designed for those on low income or in vulnerable circumstances, ensuring that those who are excluded are not paying for others to benefit.

Personalised advice and support to help people to expand their capabilities, such as support to build digital skills and advice for tenants on what options are available to them and what their rights are.



Attendees

A total of 76 stakeholders attended the workshop, from 58 organisations. The organisations represented are shown below:

361 Energy CIC	ECOE Advice	North Somerset Council
Act on Energy	ElectraLink Ltd	Nottingham Energy Partnership
Affordable Warmth Solutions	Energy Saving Trust	Pembrokeshire County Council
Avalon Community Energy	Energy UK	Plymouth Energy Community
Avon Fire & Rescue Service	Enzen Global Ltd	Scope
Born to Shine	Fair By Design	Severn Wye Energy Agency
Bridgend Care and Repair	Fuel Bank	Sopra Steria
Bristol Energy Network	Green Unlimited	South Dartmoor Community Energy
Burnham and Weston Energy CIC	Groundwork	South East Wales Energy Agency Ltd
Centre for Sustainable Energy	Guidehouse	SSEN Distribution
Centre of Sign Sight Sound	Hope4U	The Warm Welcome Campaign
Citizens Advice	House of Hope Enterprise	The Wise Group
Citizens Advice Derbyshire Districts	IE Hub	Tomato Energy
Citizens Advice North Somerset	Low Carbon Hub	Vanny Radio-Community Broadcasters
Cold Ashton Parish Council	Marches Energy Agency	Wales & West Utilities
Community Energy Plus	Marie Curie	West Midlands Combined Authority
Community Resource	National Energy Action	West Wales Care & Repair
Coventry Citizens Advice	Newark & Sherwood District Council	Yes Energy Solutions
Cwm Arian Renewable Energy Ltd	NGED Customer Panel	
Dŵr Cymru Welsh Water	North & West Gloucestershire Citizens Advice	



Next steps

- We will present these findings to the [Smart and Fair Advisory Board](#) and use these to inform our ongoing policy work.
- Get in touch if you're interested in training your advice staff, or if you would like to fund this programme.

Find out more

About CSE's [Smart and Fair programme](#).

About CSE's [Smart Energy Advice work](#).

Discover our recent [research insights](#).

Watch our [YouTube series](#) about social justice in the energy transition.

Keep in touch



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