

Response to Consultation:

SMART Metering Implementation Programme

Consumer engagement strategy April 2012



AIMS AND OBJECTIVES

Q1.

Are these the right aims and objectives against which to evaluate the Government's consumer engagement strategy for smart metering? Please explain your views.

The high level aims and objectives seem appropriate, for evaluating the Consumer Engagement Strategy but should go farther in declaring their intent to "leave no one behind."

Building consumer support for the roll-out by building confidence in the benefits of smart metering and providing reassurance on areas of consumer concern, will be key and will require particular targeting of a significant proportion of households who are most vulnerable to technological developments and who are likely to have least capacity for behaviour change and so who would be at greatest risk, of being unable to benefit from Direct Feedback (from IHD) and of becoming victims of uninformed/unsupported Indirect Feedback.

The aims and objectives should also articulate at least the following segments of our society that will require and should receive particular attention and support through the change:

People who:

- are already in fuel poverty
- are older
- are socially isolated
- have sensory, mobility, or dexterity impairments
- have mental health conditions
- for whom English is a second language
- have learning difficulties
- tend not to respond to mainstream media/communications
- tend to already under-heat their homes

These groups will be most vulnerable to rising costs associated with heating, lighting and transport and least likely to have capacity to take benefit from Smart Metering.

We would wish to see the aims and objectives drive similar societal support for these vulnerable groups through the introduction of Smart Metering.

EFFECTIVE CONSUMER ENGAGEMENT

Q2

What are your views on focusing on direct feedback, indirect feedback, advice and guidance and motivational campaigns as behaviour change tools? What other levers for behaviour change should we consider? (See also Appendix 1.)

Direct feedback and indirect feedback (from IHD) are likely to offer limited insight for significant segments of society, who will require particular and possibly extended advice, guidance and support to enable them to appreciate the effect of their energy-usage behaviours and to inform appropriate, non-damaging (to them in particular), behaviour change. Show and Tell will not be sufficient for a significant proportion of people who might reasonably include:

People who:

- are older
- are socially isolated
- have sensory, mobility, or dexterity impairments
- have mental health conditions
- for whom English is a second language
- have learning difficulties
- tend not to respond to mainstream media/communications
- already under-heat their homes

These groups will be most vulnerable to rising costs associated with heating, lighting and transport and least likely to have capacity to take benefit from Smart Metering, without access to extended advice and support through the changes, from voices they trust. There are significant similarities between this programme and the recent, and still on-going, UK-wide TV Digital Switchover and many of the lessons learned through that could be applied here.

Behaviour change must be driven by real engagement of individuals providing salient and relevant information in an interesting way through the most appropriate routes (especially for those who tend not to engage with mainstream communication and/or face particular challenges). Tapping into social norms and peer to peer communication is likely to be most effective among these groups. This can be effectively harnessed through community and voluntary groups, charities and individuals embedded within communities who act as touch-points to the most socially isolated. Often, what potentially vulnerable householders require in these circumstances, in addition to the appropriate

In addition embedding knowledge within communities provides a longer term legacy after the programme has officially come to an end and this knowledge and support lasts beyond the life of the funding. It also offers the opportunity to engage in a longer term conversation which could cover more complex messaging around energy efficiency and to help to maintain sustainable behaviour change over the long term. Post-installation support will be vital to ensuring that SMART meters continue to make an impact on CO2 emissions reduction long term.

3. What are your views on community outreach as a means of promoting smart meters and energy saving behaviour change?

As we have mentioned above; we see significant similarities between the proposed national roll-out of smart metering and the on-going TV digital switchover programme currently drawing to a close after almost five years. We consider that a community outreach approach is vital to ensuring everyone is able to reap the potential benefit of SMART meters. It is also important to ensure that support is available for those who tend to under-heat their homes already so that the main campaign messages do not have a negative effect on the health and well-being of particularly vulnerable households. Vulnerable householders require information and advice to be provided in clear and simple formats, but also often to be repeated and reinforced. They also often require reassurance. This is best provided through face to face, personal contact via community outreach – taking information and advice to consumers, not expecting them to seek it out.

The consultation states that *“Whoever the audience and whatever the message, behavioural models point to the importance of the messenger. Messages from peers and from trusted, independent third parties are frequently more compelling than those from vested interests or more traditional ‘authority figures’.*

This philosophy is borne out by the community outreach approaches supporting vulnerable citizens, through the switchover to digital TV (which DOL has been instrumental in delivering).

The digital switchover programme consumers about their understanding of how to make the change and to establish how they will be supported through the change. Thousands of volunteers have been trained and events held through local community groups and within communities.

This approach created awareness of and mobilised family and social networks, to recognise and address the particular vulnerabilities and support needs of the above groups.

Advice and guidance offered by commercial or even statutory organisations may not be trusted by more vulnerable people, whose opinions are informed by media headlines about mis-selling and sharp practice. The importance, to these potentially vulnerable groups, of trusted local voices offering calm, accurate and timely guidance on technological change, has been clearly seen through the switchover to digital TV. Key messages and coaching, in energy-usage-behaviours will be of particular importance to the above groups, within which will be least motivation to change and at most fear, about how they may be at risk of harm or disadvantaged by enforced change.

Our experience of supporting people within these groups, through the national switchover to digital TV, has demonstrated the importance of using local ‘trusted’ voices to create awareness, acceptance and to mobilise family and social networks, to recognise and address the particular vulnerabilities and support needs of the above groups and to bring about changes in behaviour to meet the change.

4. Have the right evidence requirements been identified for Foundation learning? What other evidence or approaches to research and trialling might we consider?

An uninformed/random approach to testing different approaches to community outreach could prove counter-productive to a successful national roll-out, if undertaken without proper insights into the issues surrounding people who will be vulnerable to this change e.g. by virtue of their age, disability etc.

The Foundation stage should be used to investigate models of outreach that have been so successfully applied in support of vulnerable groups, e.g. through switchover to digital TV.

In addition the foundation stage needs to pay attention to learning how to manage the logistical challenges which might be involved in co-ordinating a national campaign combined with community engagement through the CDB with a supplier roll-out which may be roll around regionally. Co-ordination will be vital to ensure that supply of information and engagement through communities is timed to coincide with supply/installation. Leaving energy suppliers to plan the timetable around commercial needs could negate the potential benefits, engagement and subsequent behaviour change. Suppliers should be encouraged to co-ordinate activity regionally to ensure the initiative is not wasted.

Q5. What are your views about the desirability of the Programme, or other independent parties, making available information on different suppliers' installation packages and their impacts? When might this best be introduced?

We know from our work on digital TV switchover that 'trusted voices' are those who are familiar to the audience and whose partiality is for the audience, as opposed to any loyalty or the influence of competitive suppliers. **Independence and impartiality of the trusted voices** will be key to successful engagement of vulnerable, or suspicious, audiences. As such it is important that if different packages are available, trusted intermediaries are able to discuss them from an impartial standing

However, "sharing of best practice between suppliers" would still leave huge scope for variability between the support available for vulnerable consumers, according to which company supplies their energy. Alternatively a national installation scheme, funded by all suppliers and which operates to consistent industry standards on behalf of all suppliers, could avoid potential counter-productive 'horror stories' by removing the inconsistencies of a varying designed/delivered installation service; i.e. along the lines of the Switchover Help Scheme, which could standardise the equipment, service and support it provides people who are on the PSR, or who are eligible to be on the PSR.

Q 6. Do you agree that a centralised engagement programme, established by suppliers with appropriate checks and balances, is the most practical solution given other constraints? If not, what other practical alternatives are there?

Yes we agree that an engagement programme needs to be centrally co-ordinated to ensure consistency of quality and delivery. However, it is vital that this is driven by needs at a very local level.

As seen to be the case in the switchover to digital TV, coordinated local engagement or campaigns (i.e. on an area-wide basis and through both national and local support organisations for specific groups e.g. older people, people with particular disabilities, conditions or interests), would be capable of achieving greater uptake by creating a higher degree of awareness and consumer 'pull'.

Advice and guidance and motivational campaigns might be better delivered by intermediaries such as charities, community groups, local authorities, consumer groups and social landlords operating at a local level.

Q7. Do you think that suppliers should be obliged through licence conditions to establish and fund a Central Delivery Body or would a voluntary approach be preferable?

It seems unlikely that anything like universal acceptance of and cooperation with the introduction of Smart Meter, will be feasible without ensuring consistency of the message and in the offer of service/support for vulnerable people to:

- a. understand the purpose and import of Smart Meter and
- b. accept and cooperate with its introduction.

It also seems unlikely that such consistency could be achieved without first establishing industry-wide agreement of what the formation of a CBD could bring.

In particular a carefully chosen CBD, such as described in Section 4.31, that brings with it an impeccable reputation for independence and consumer support would support the primary objectives proposed for a CDB, in Section 4.32 i.e.:

1. To promote consumer awareness and understanding of the use of smart metering to deliver behaviour change and energy saving
2. To provide necessary extra support to vulnerable, low income and fuel poor consumers to help them achieve benefits
3. To build consumer support for the roll-out by building confidence in benefits and providing reassurance on areas of consumer concern

As suggested in Section 4.31, the chosen CBD would need to bring with it a good reputation and the trust of consumers, relating to consumer protection matters and be expert in consumer engagement.

Digital Outreach Ltd

30 May 2012
