

Dame Meg Hillier MP
Chair, Public Accounts Committee
House of Commons
30 June 2023

Dear Chair,

Update on the rollout of smart meters

I'm writing to you further to your committee's oral evidence session on the NAO inquiry 'Update on the rollout of smart meters'. As the CEO of Smart Energy GB (SEGB), I thought that it would be helpful to share some background and insights into our work, as we were referenced at several points during this session.

The role and performance of SEGB

Smart Energy GB is the not-for-profit campaign helping everyone in Britain understand the importance of smart meters and their benefits to people and the environment. Our national campaign is reaching homes and small businesses across England, Scotland and Wales. Committee members might be familiar with our Einstein adverts which have been playing across TV and radio for the past 4 years. Annually we also undertake a dedicated marketing strand to communicate the additional benefits of smart meters for PPM customers, and the next phase of this work will start in the autumn.

We were created in 2013 as an independent not-for-profit business, not a QUANGO, which provides us with a 'trusted voice' status. We are funded by industry, but work very closely with the Department for Energy Security and Net Zero (the Department), industry and consumer groups to ensure that all consumers, especially the most vulnerable, understand the benefits of smart meters and ultimately get one. We have a robust governance model, including an independent Board, the majority of whom are energy suppliers, with a minority of Directors representing consumers, including those who are vulnerable. The Department and Ofgem also attend Board but are not Directors.

During the evidence session, SEGB data and insights were referenced on several occasions, as they were in the NAO report. This is because our Insights team plays an important role to understand consumer sentiment, what motivates them to get a smart meter, and what might get in the way. This helps us to better target our messages, campaign channels and deliver value for money. More than that, suppliers and the Department also rely on this information to support their work.

Our role is an important point of collaboration, coordination and innovation for the smart meter rollout and we are entirely focused on designing and implementing sophisticated and insight driven consumer engagement campaigns. We know from our Econometric modelling that our campaigning activity drives 50% of smart meter installations, showing the clear success of our approach.

Working with government and industry to tackle specific customer segment barriers

We continue to evolve and innovate our approach to the campaign, and as we reach the latter stage of the rollout, we have been turning our attentions to helping to overcome the specific barriers faced by particular consumer segments.

During your session there was reference to our work to understand why private renters are less likely to have a smart meter, and to find ways to support this important group. We have undertaken detailed analysis to understand the barriers for different cohorts of private renters, and one

particular focus of our work is tackling the misconception that it's the responsibility of landlords to get a smart meter, when it is in fact the billpayer. We think the grey legal status of this situation can be a problem, alongside renters' reluctance to engage with their landlord. We use several communications channels to seek to tackle this myth. Over the next 2 years, we intend to double down on this approach to tackling barriers and explore solutions to challenges to help suppliers to 'convert' the remaining non-smart meter owners.

Also raised during the session was the fact that the challenges we face for non-domestic installations of smart meters are slightly different to those we face for homes. SEGB runs a dedicated campaign directed at micro businesses promoting the benefits of smart metering. To compliment this, we host a micro business hub on our website, and we work with a range of stakeholders to help raise awareness of benefits for businesses. In fact on July 19th, we are holding a drop-in session in Westminster, 9am-11am, focussed on the support available to small businesses during this time of higher energy costs, including smart meters. We're working in collaboration with the British Chambers of Commerce and Citizens Advice. If you or any of the Committee would like to attend, please don't hesitate to let me know.

Supporting the most vulnerable customers

While our job is to spread the message to everyone, we have a particular duty to make sure low-income, vulnerable and prepay customers benefit from smart meters. We have a specific team focused on vulnerable customers who also lead on working with a range of local and national partners who we know from our insights, are trusted voices for vulnerable customer segments. As an example, Carers UK is one of our charity partners and we are working with them to talk directly to the unpaid carers community in GB to help them understand how smart meters can take the stress out of energy bills for the people that they care for.

As part of our coordination role, later this year and potentially into next, we are also exploring how we can work with industry to undertake coordinated local activity, including but not limited to, door-to-door marketing. Earlier trials of this work demonstrated the effectiveness of this activity in certain circumstances.

How SEGB could support customer engagement beyond smart meters

I was pleased to note that both the Committee for Climate Change (CCC) and the Department highlighted the role that SEGB could play to persuade the public to engage with other measures needed to achieve net zero, such as the decarbonisation of heat in homes. We absolutely stand ready to do this.

This idea is something that we have been considering as we have built up considerable expertise and experience since we were created in 2013, and are keen to ensure that doesn't go to waste. We have begun exploring with the Department how we might evolve our work to drive consumer take-up of say heat pumps. However, we are in the very early stages of this exploration as we seek to help ensure the lessons learnt from consumer engagement in the smart meter rollout are adopted into strategic planning on other areas of the net zero transition.

I hope that this is helpful to your inquiry and if you would value a meeting to discuss this in more detail, please don't hesitate to contact me.

Yours sincerely,

Dan Brooke
CEO, Smart Energy GB