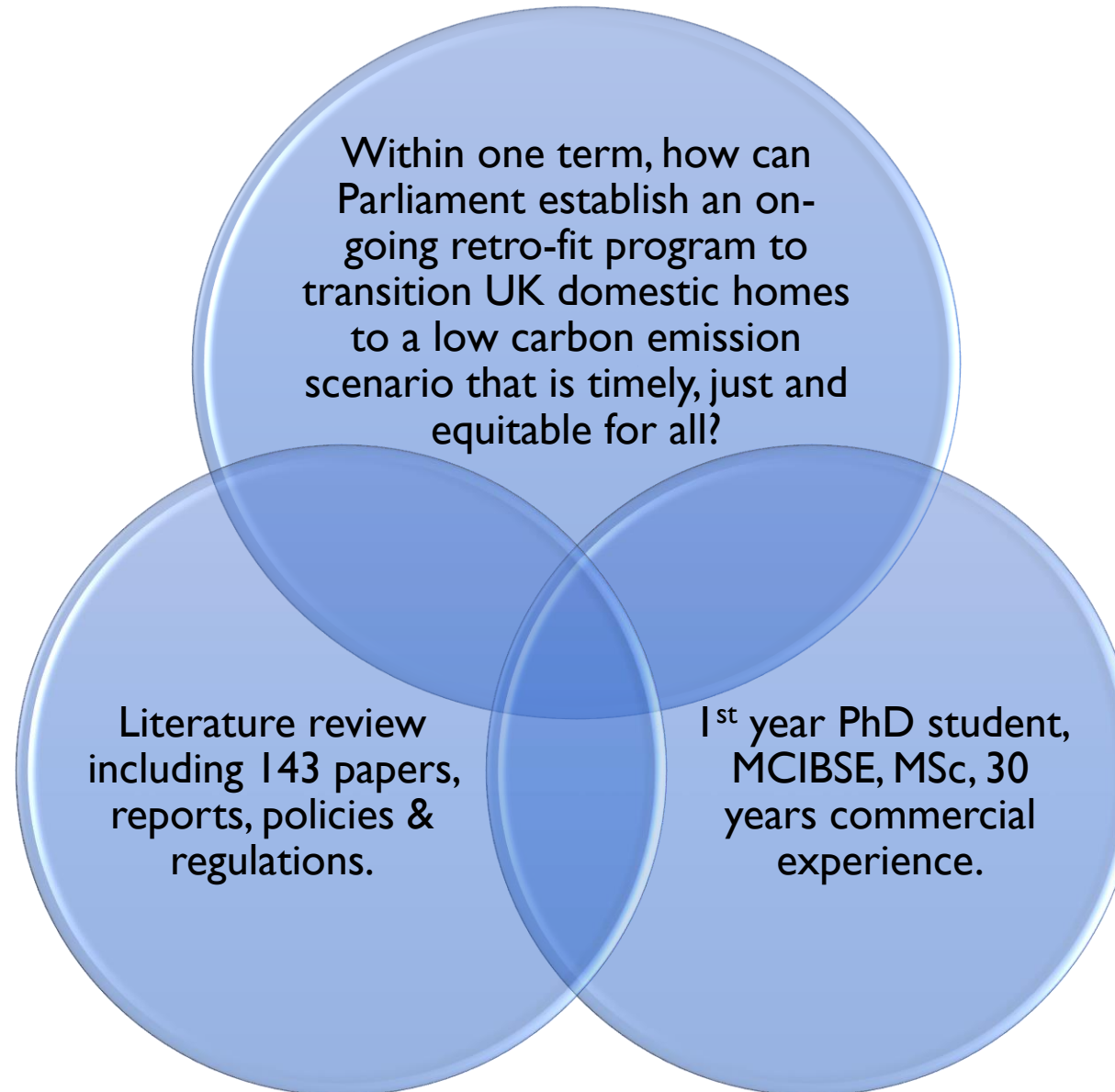
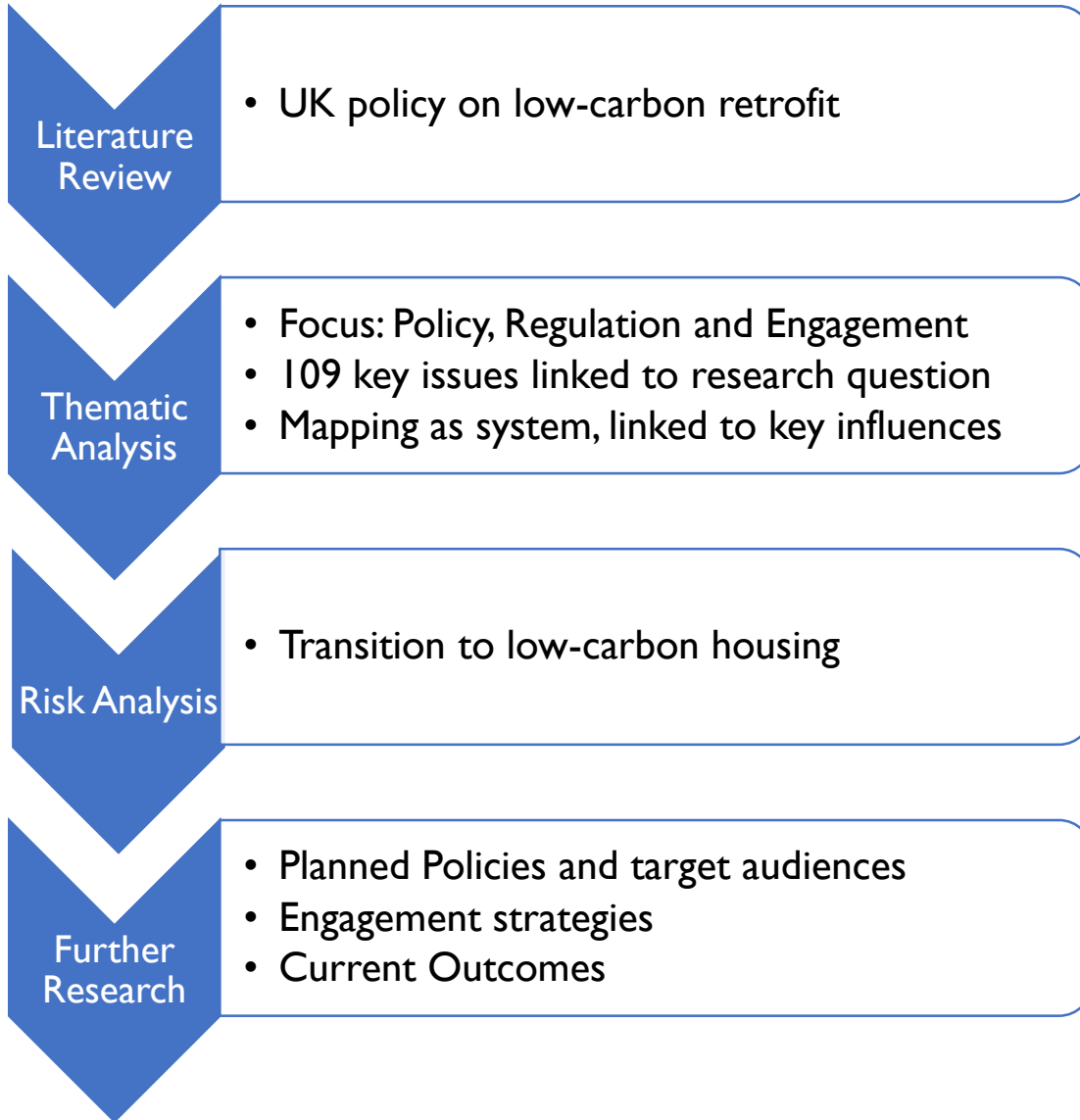


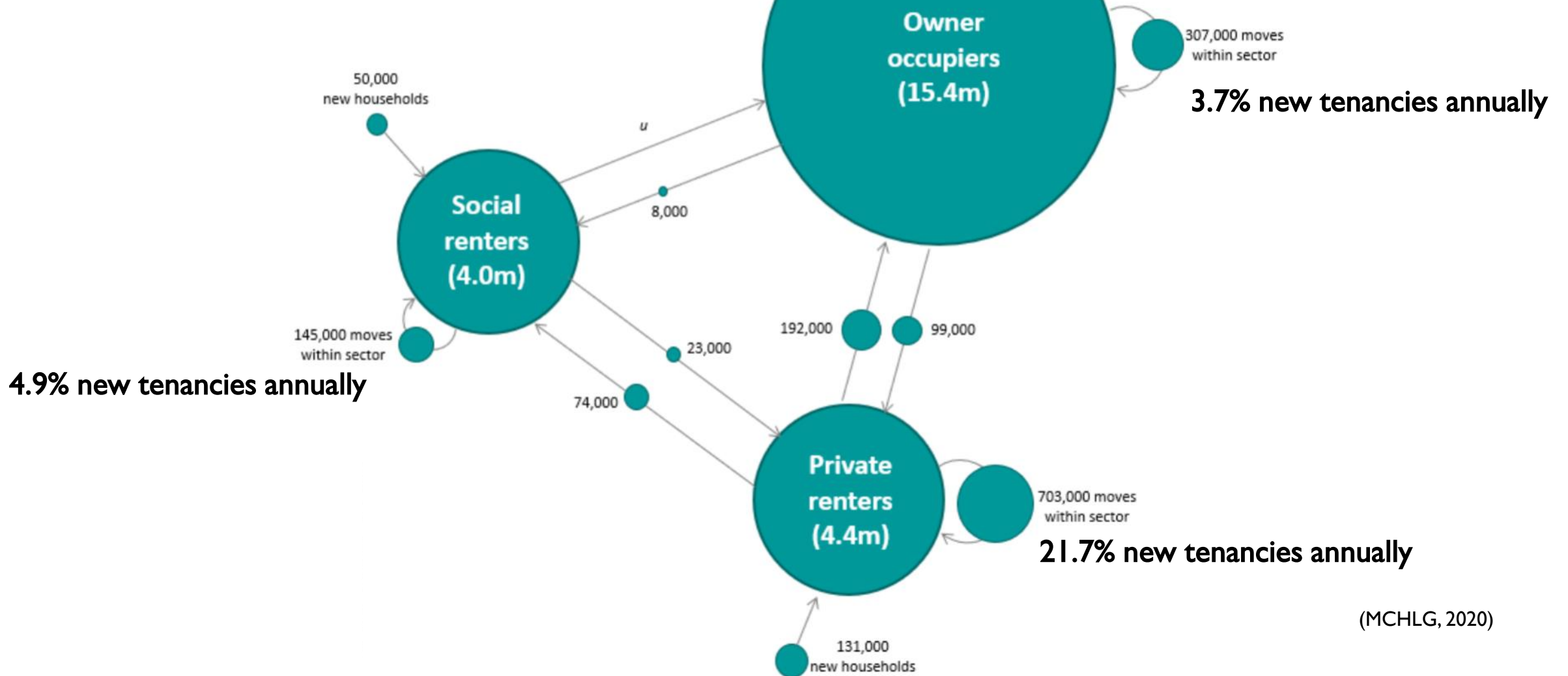
**Owner Occupier Engagement. The missing piece of the puzzle –
how do we encourage them to engage in Energy Efficiency upgrades?**







Housing tenure type in UK.



(MCHLG, 2020)

How we have been addressing the Energy Efficiency upgrade challenge.

CERT

ECO versions 1, 2, 3 that included -

- CERO
- CSCO
- HHCRO
- LA Flex Schemes

Green Deal

GDHIF

GHG

GHGLAD

Social & Private Rental Sector Regulations -

- Decent Homes Standard & MEES
- EPC's to C by 2028.



Analysis of Energy Efficiency Policy engagement success – past and present.

Cross Sector schemes: ECO 1,2,3 etc

Targeted with “Fabric First” approach (mostly).

ECO installed roughly 2.5M measures over 8 years.

Predominantly free at point of delivery



The Clean Growth Strategy

Leading the way to
a low carbon future

£640M p.a. until 2028

Information loss, decision making, reviews –

Green Book on policy-making demands SMART objectives and review.

ECO3 launched in December 2018, ECO 2's value and impact knowingly unreported, and so not considered.

Simon Bittlestone - Audit Manager, National Audit Office:

- “The Energy Company Obligation is paid for through all consumers’ bills...The Government used to publish a breakdown of how much each of these schemes cost and also how much they save...they have not produced those breakdowns since 2014, as far as I know, so there is a potential lack of transparency there. We looked across a few of these schemes, again going back a few years, in 2016.” (Environmental Audit Committee, 2020)”

Owner Occupied targeted schemes:

Name	Measures installed	Period	Status
Green Deal	9,999 live plans	Jan 2013 – 2015	Scrapped
GDHIF	25,487 vouchers paid	June 2014 – June 2015	Scrapped
GHG	39,000 vouchers issued	Oct 2020 – March 2021	Scrapped
RHI	85,492 to date	April 2014 – April 2022	Due to be scrapped*
FiT	994,562 domestic installs	April 2010 – April 2019	Scrapped.

*March 2022

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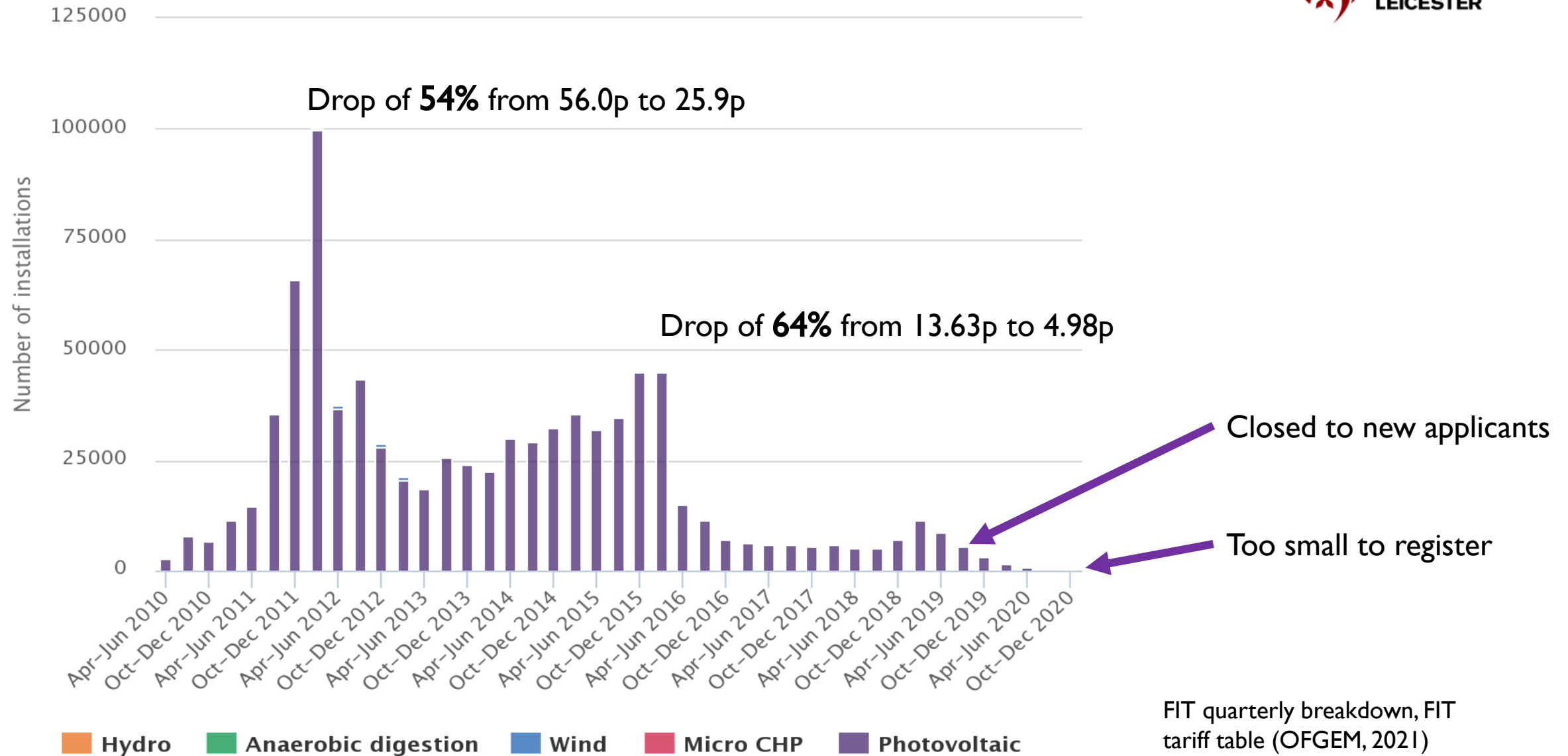
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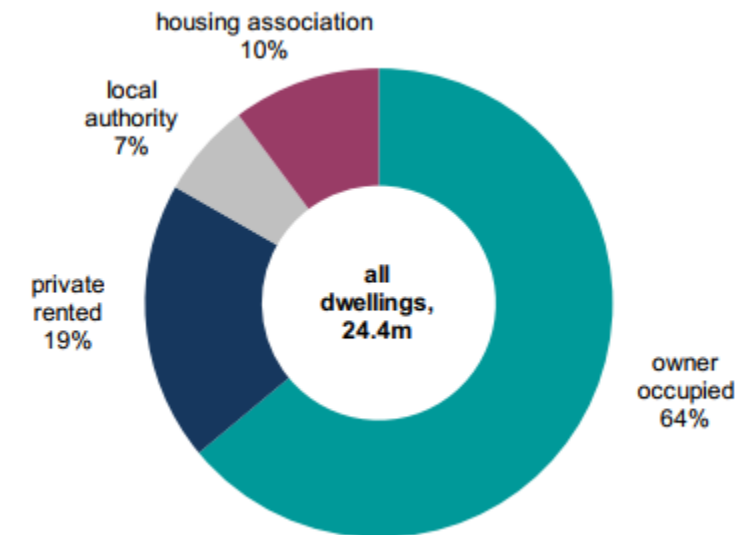
Installations by technology per quarter (non-cumulative)



How do we engage the Owner Occupier?

Current Government action.

- *“There is currently no Government strategy to engage the public in the transition to a low-carbon and climate resilient economy. This will need to change.” (Climate Change Committee, 2020)*
- *“Cost of reaching Net Zero by 2050 is estimated to be circa 1% p.a. of GDP per year to 2050”. Roughly £50-70B p.a. (Institute for Government, 2020)*



(MCHLG, 2020)

Opinions and expectations.

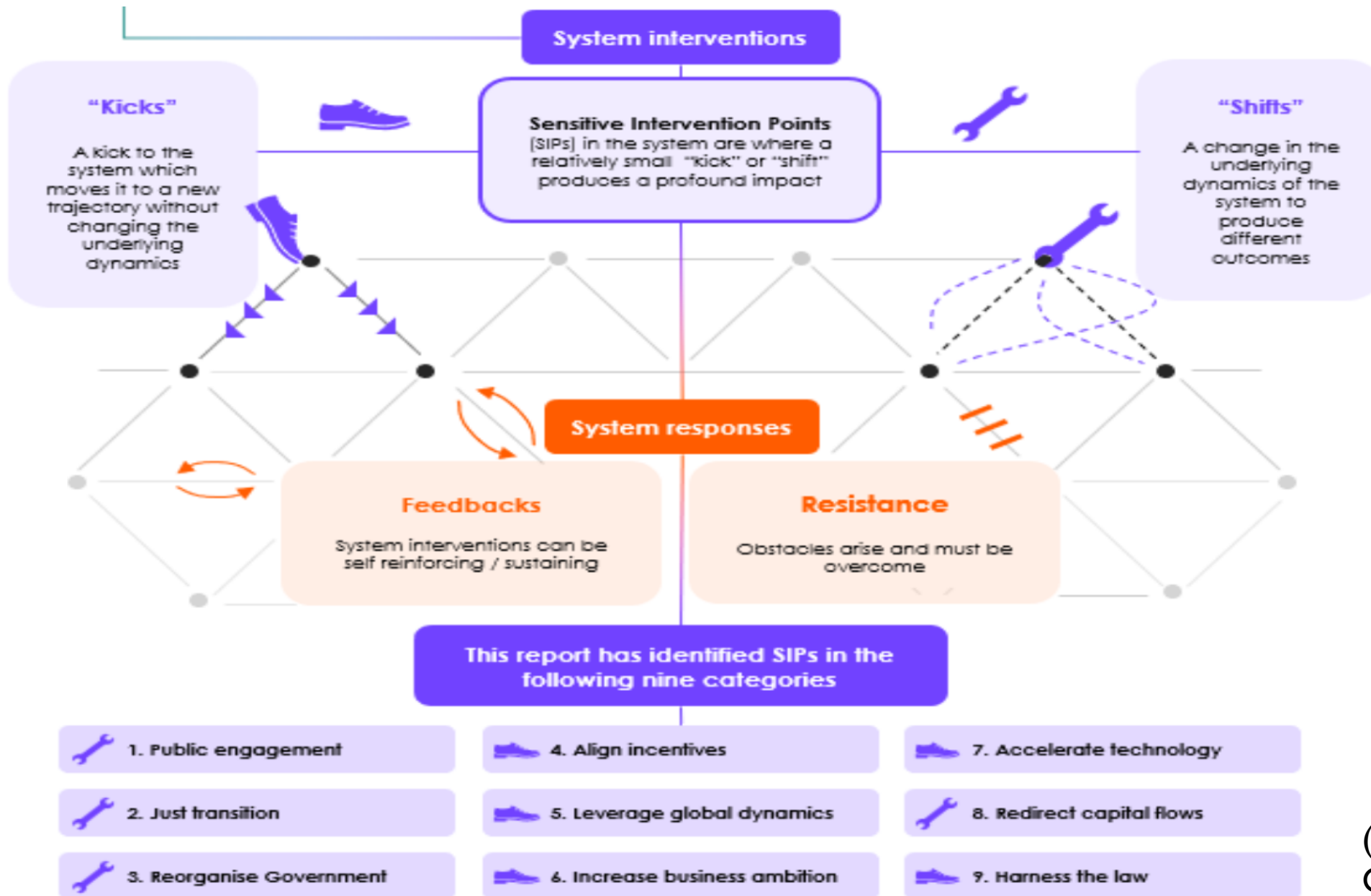
The Government view:

- “the CCC has pointed out, **62%** of emissions reductions involve some form of behaviour change” (Crown, 2020)

The Climate Change Assembly - People’s view:

- | | | |
|-------|----------|--|
| • 1: | 74 votes | <i>Inform and educate everyone</i> |
| • 2: | 65 votes | <i>Fairness within the UK</i> |
| • 3: | 63 votes | <i>Leadership from government</i> |
| • ... | | |
| • ... | | |
| • 23: | 15 votes | <i>Compromise about changing lifestyle</i> |





(Climate Change Committee, 2020)

System interventions

“Kicks”

A kick to the system which moves it to a new trajectory without changing the underlying dynamics



Sensitive Intervention Points
[SIPs] in the system are where a relatively small “kick” or “shift” produces a profound impact

“Shifts”

A change in the underlying dynamics of the system to produce different outcomes



System responses

Feedbacks

System interventions can be self reinforcing / sustaining

Resistance

Obstacles arise and must be overcome



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System interventions can be self reinforcing / sustaining



Resistance

Obstacles arise and must be overcome

This report has identified SIPs in the following nine categories



1. Public engagement



4. Align incentives



7. Accelerate technology



2. Just transition



5. Leverage global dynamics



8. Redirect capital flows



3. Reorganise Government



6. Increase business ambition



9. Harness the law



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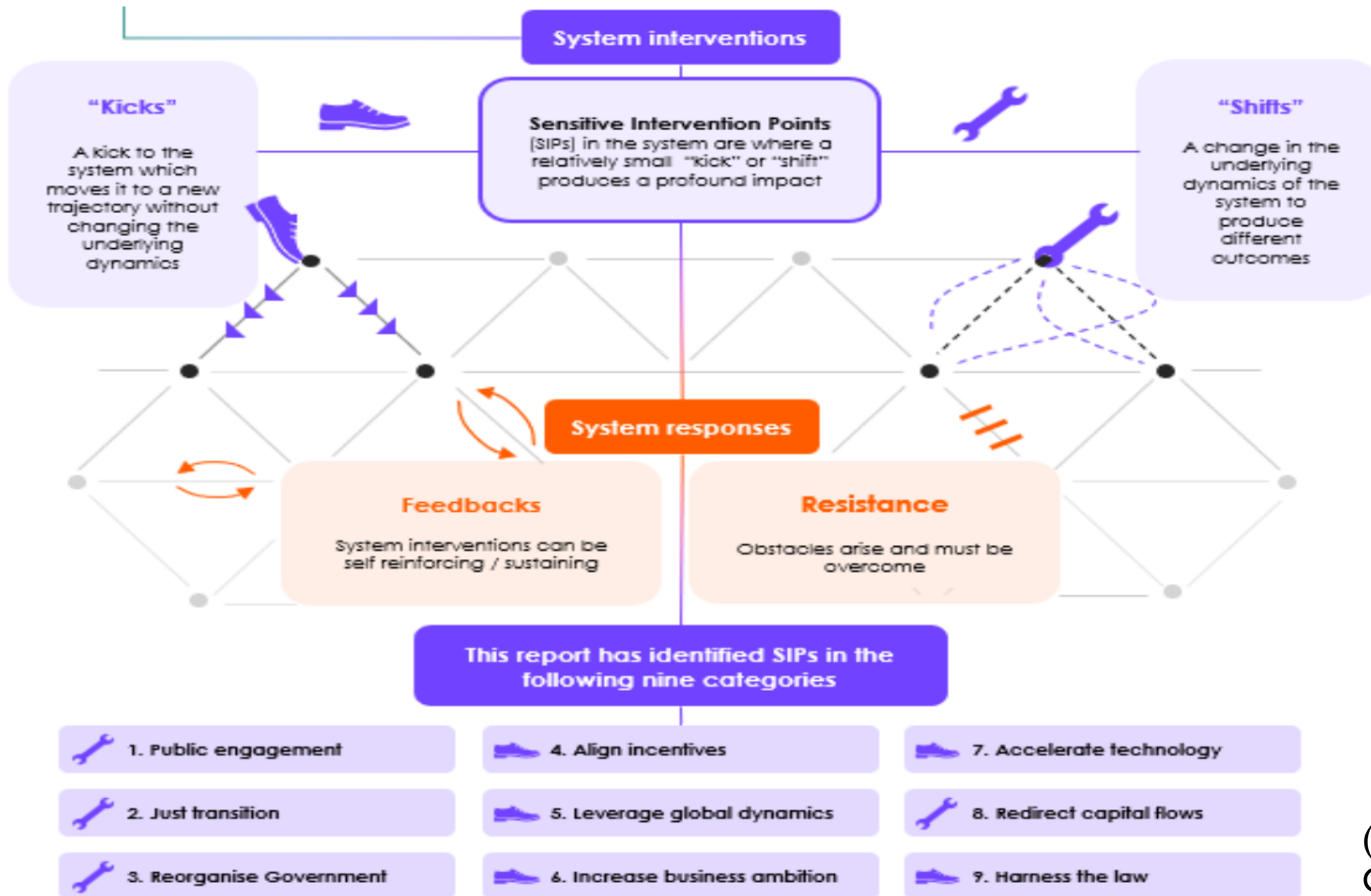
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9. Harness the law



(Climate Change Committee, 2020)

Consumer engagement, trust and a sense of herd.

Owner Occupier “Elephant” – it needs a reason to go...

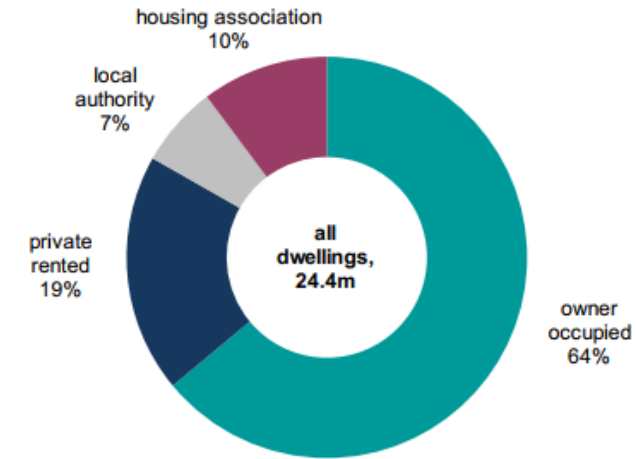
- Motivations matter.

Two sides to decision making...

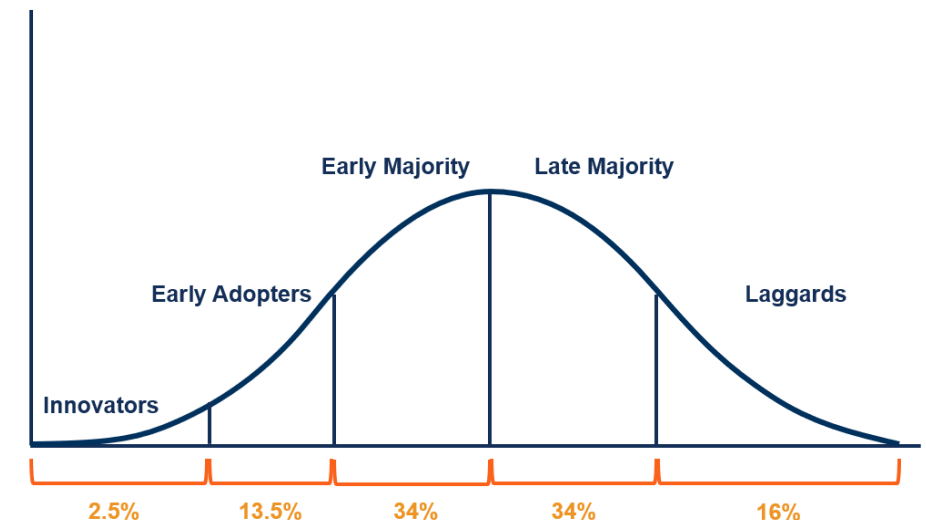
- the emotional side i.e. the elephant
- and the rational side i.e. the rider.

Control risk:

- Who is in charge?
- Engagement.
- Desires.
- Trust.



(MCHLG, 2020)



(CFI, 2021)

How should we engage...

- Motives
- Purchasing decision processes
- Justifications
- Cognitive Biases

SME delivery – change mindsets

- **Benefits** of the solution.
- Comfort.
- Health.
- Opex reduction etc



The confident can lead the more timid and less motivated.

Summary of findings from original PhD question analysis.

Policy	45	6
Governance Framework (+ Regulations & Delivery)	41	7
Relationships & Engagement	23	2
Practical issues identified		15



Additional considerations:

- Free to a customer does not mean “yes please”... objections exist.
- Green Book optimism bias – costs, program timings... end user engagement?

So what is actively being done at present?

Reply from MHCLG re request for a taxonomy of policy and regulation in the domestic housing energy efficiency arena:

“...To deliver the necessary improvements to existing homes across tenures, the government is developing interventions tailored to each housing tenure. The government has:

- consulted on improving minimum energy efficiency standards (MEES) in the private rented sector,
- [committed to consult on regulatory measures to improve the energy performance of owner occupied homes,](#)
- has consulted on improving energy efficiency through mortgage lenders, and
- committed to review the Decent Homes Standard to consider how it can better support the decarbonisation of homes in the social rented sector

However, the Heat and Buildings Strategy, to be published in due course, will set out the actions the Government will take for reducing emissions from buildings, across tenures...”

Our Ref:10871478

Date:**26 April 2021**



Lewis Sullivan ([he/him](#)) [why is this here?](#)

Senior Policy Adviser, Climate Change and Housing

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lewis.sullivan@communities.gov.uk

Summary: it is generally agreed that we need –

A fabric first approach.

Avoid pollution lock in eg gas boilers.

Nemo Resideo – supportive funding streams.



However,

No credible engagement plan for Owner Occupiers (CCC, 2020).

No equivalent replacement for their most engaging policy levers to date.

No large-scale, specific, accessible financial packages in place.

No active consultation on regulatory compliance to improve energy efficiency.

Discussion.

I would ask the experience of the audience on:

To create a timely and effective engagement strategy what are the most important first steps?

How do we translate that engagement strategy into practical action within one term of parliament?

More comments are welcomed at
john.rowlatt@my365.dmu.ac.uk