

Ipsos MORI



The Big Energy Shift

Summary Report from Citizens' Forums

20 April 2009



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Summary

Summary

About the project

Participants from 9 communities in England, Wales and Northern Ireland met together in Spring 2009 for a series of deliberative discussions facilitated by Ipsos MORI. The project was commissioned and supported by the Department of Energy and Climate Change, the Northern Ireland Executive and Welsh Assembly Government. The objective was to establish the bases on which the public would be prepared to take up renewable energy generation and energy conservation.

What is the potential for behaviour change?

Householders are overwhelmingly positive to energy efficiency and micro-renewables in principle. To create low carbon homes in the UK, participants in this research want to see bold leadership from Government; asking Government to fix clear goals, a deadline for achieving them, and to set out what individuals, Government, and business all need to do to get there.

This research suggests that a strong hand from national and local Government, allied to intelligent social marketing, could make this Big Energy Shift happen. By contrast, 'business as usual', or policies that tinker with the existing consumer framework (e.g. marginal improvements to existing grant schemes) are unlikely to lead to any significant critical mass of households making changes.

Being involved in the dialogue itself, and gradually coming to appreciate the wider context, helped the participants in this research come to the conclusion that decisive action is needed. This reflects the need to involve people in energy decisions rather than to impose solutions on communities.

Allied to this, there is a need for different messages and strategies for different geographical locations and types of home and householder. There is scope for segmenting the population and identifying early adopters who can help push forward takeup of innovations.

The appeal of technologies, and barriers to take up

The technologies which most appeal are those with perceived low upfront costs, and high value for money; also the most 'normal' and familiar technologies appeal. These include meters, loft insulation, and double glazing.

There are barriers to adopting some insulation options and some microgeneration. These barriers include perception of: high upfront cost; the risk of not recouping that cost, as the technologies are untried; disruption in installation; and aesthetics. Mass takeup will involve overcoming these barriers.

Funding the Big Energy Shift

To make the Shift happen, in every Forum, a majority of participants called for legislation - seeing it as ultimately, the only way to enforce cooperation within the required timescale. But this call for legislation had conditions attached; around timescales, the way the Shift should be paid for, and who should be required to pay.

Participants ask Government to:-

- Give individuals help with upfront costs by substantial grants and loans (paid for through general taxation).
- Set fair targets for houses which take account of the wide variation in housing stock, and people's differing ability to pay; and a fair timescale. Crucially this should involve a long lead time before legislation becomes active, so that people are given assistance to conform before they are obliged to.
- Create cost-effective area strategies led by local government to raise awareness, interest, and voluntary takeup.
- Nudge people towards action with restricted choices or tailored initiatives – free consumer choice is an over-rated concept in this area, as individuals do not have the level of knowledge to help them choose.
- Walk the walk as well as talking the talk, by ensuring low carbon compliance in public buildings.

Background

Background

Objective

The project was commissioned and supported by the Department of Climate Change and Energy, the Northern Ireland Executive and Welsh Assembly Government. The objective was to establish the bases on which the public would be prepared to take up renewable energy generation and energy conservation. To do this we:-

- Educated the public about the future challenges in Britain's energy use - the need for Britain to effect a 'Big Energy Shift', in domestic energy generation and use, so that we can meet renewable energy targets.
- Tested options for potential interventions.
- Assessed the triggers for behaviour change in domestic energy options:-

What makes individuals shift from no action, to action?

What makes individuals shift from piecemeal to household action?

What makes householders shift from household action to community level or collective action?

What makes people get involved in mass action, at a national or cultural level?

Project structure

9 forums involving around 30 members of the public at each. Each forum comprised the following research events.

- Event 1: Day-long deliberation on new technologies involving the public and external experts from the University of Southampton, Action Renewables, and the Centre for Alternative Technologies.
- Event 2: Participants completed tasks such as interviewing neighbours, investigating new energy options themselves or visiting exemplars
- Event 3: Another day-long deliberation on options for paying for these new technologies, both as individuals and as a society, involving participants and stakeholders from local and national Government, businesses and community groups.

The options discussed were hypotheses set out to enable people to explore different ways of financing the Big Energy Shift, rather than developed, concrete policy options.

A final event (Event 4) will take place in London on 20th April 2009 to bring together members of all the 9 Forums with senior Government and external stakeholders to discuss ways forward for the Big Energy Shift.

The project is supported by a website for participants and interested stakeholders to use; interviews from Event 2 and questions and discussions arising from the Forums are all there. www.bigenergyshift.org.uk

Government officials from DECC, the Welsh Assembly Government and Northern Ireland Executive were closely involved throughout – helping shape the materials, joining the discussions and contributing to web discussions. An external panel of 15 organisations were invited to help shape the work and attend the forums.

The benefits of a locally based public dialogue

This approach allows for in-depth and considered opinions to be shared by members of the public. It is worth noting, however, that this is not a research method involving a representative sample of members of the public and does not give statistically valid findings.

The whole citizens' dialogue has been supported by funding and expertise from Sciencewise. Sciencewise is funded by the Department for Innovation, Universities & Skills (DIUS) and aims to help policy makers use public dialogue to inform policy decisions in science and technology. The dialogue is also being independently evaluated.

What is the potential for
behaviour change?

What is the potential for behaviour change?

Householders are overwhelmingly positive to energy efficiency and micro-renewables in principle

Across all the Forums, spontaneous views were in line with other recent energy research. There was general awareness of environmental issues and broad concern about climate change (with a minority of exceptions). Existing behaviours typically involve recycling, bag reuse and a few home energy efficiency measures (loft insulation, double glazing and low energy light bulbs the most frequent).

*“In the last five years people have done a lot – filling the kettle halfway, changing lightbulbs, but there’s more still to be done.”
(Cardiff, Wales, Event 1)*

Householders are excited by the new technologies, considering them technologies of the future and, in general terms, a “no brainer”. They see benefits to themselves in terms of cost savings and home improvement, and to wider society in terms of benefits to the environment. Some also see potential for wider social benefits such as community cohesion, if community energy measures are successfully introduced.

Householders were impressed and shocked by information on the scale and urgency of the environmental problem. However, though participants acknowledged the need for us all to take action immediately against CO₂, this is not enough to push people to change their behaviour immediately, on an individual level.

When it comes to considering and taking up low carbon household technologies, it is individual financial concerns which seem most likely to spur people to attitudinal and behaviour change. In response to the first presentation in Event 1, on the need for the Big Energy Shift, the concepts of securing supply of energy and protecting consumers from rising fuel prices hit home in the most salient way.

“Every time the bills come through the door I have heart failure, they’ve gone up so much” (Exeter, England, Event 1)

Householders call for bold leadership from Government

There are various bodies perceived to be talking about energy (charities, non Governmental bodies, energy companies, the media) – but this is seen as rather piecemeal, and citizens in every Forum asked - what is the Government's line on all this?

“Eventually the Government has got to say – We think this is the best way forward. We as individuals can't make that decision, as we don't know what it is. They have to do more, like the smoking ban. People won't like it, but they'll get used to it.” (Exeter, England, Event 3)

A majority of participants would like the following from Government:

- Explain why we need the shift in clear, simple, concrete language;
- Set out concrete goals for society and a deadline;
- Explain exactly how government, business, and individuals will all need to participate to achieve these goals;
- Be seen to be enforcing this.

This 'big story' would help citizens to believe that the problem is genuinely urgent. There was a sense that “if government is really serious about this, it will sort it”. In the absence of a wider contextual story or timeline, householders feel it is hard for them to weigh up the costs and benefits of individual decisions about energy.

In addition, some of the individual and community options discussed at Event 3 only really make sense to participants if they assume a context of an overarching plan from Government. This overarching message would help people to notice, understand and believe in local initiatives – such as wind farms - which otherwise might be ignored or treated with scepticism.

In terms of enforcement, householders would like to see legislation (so long as it involves a long lead time to allow householders time to prepare). However, they also want symbolic action from Government, to demonstrate that everyone needs to tackle the problem. For instance, if householders are asked to use less energy and adopt low carbon measures, the public estates should also do so, for instance turning off council office lights at night. Participants are adamant that there is no excuse for wasting energy from the very people calling for change.

There is also a lack of trust in energy companies and a need to understand how they fit into the Big Shift. Government could win popular support by requiring energy companies to help educate, inform and change behaviour (“force them to put energy information on our bills” for instance).

Furthermore, the Government is best placed to make all legislation coherent, to smooth the way for change; for example current planning laws are sometimes seen as contradictory to the drive towards new energy solutions.

“They should enforce laws stating that you cannot get permission to build something if it isn’t energy efficient.”
(Cookstown, NI, Event 3)

Because of the support in principle for the Big Energy Shift, this research suggests a strong hand from national and local government, to change the existing price signals and logistical barriers, allied to intelligent use of the principles of social marketing (e.g. descriptive social norms, demonstration, viral marketing), could make this Shift happen. By contrast, ‘business as usual’ or policies that tinker with the existing consumer framework (e.g. marginal improvements to existing grant schemes) are unlikely to lead to any significant critical mass of households any time soon.

It is worth noting that being involved in the dialogue itself, and hence gradually coming to appreciate the wider context, helped the participants in this research come to the conclusion that decisive action is needed. Some participants, for example, said that while they had been opposed to renewable energy solutions before attending discussions, the debate and exposure to different points of view had helped them change their minds. This reflects the need to involve people in decisions, rather than to impose solutions on communities; to communicate the idea of a shared problem, as the context to legislation or other action.

Different groups are at different stages on the journey

Different views and preoccupations were expressed across the different Forum locations, and during the process of the research. Here is some flavour of each location.

Northern Ireland

“Big change can happen, definitely, it just takes input from all angles. How did we ever get from candles to electricity? It’s been done before.” (Cookstown, NI, Event 3)

"But you have to start small, nobody likes too much change and this energy change is going to be a big one – so you have to think small and work up – begin with regional initiatives, like this could be. Maybe draw on regional pride, a competition like Cookstown versus Donnegal – the more efficient your area, the more benefits you get." (Cookstown, NI, Event 3)

"I wonder if we could produce our own energy – it feels like we are far down the pecking order for supply of oil and gas, so it would be good to be self-sufficient" (Lisburn, NI, Event 1)

"I've got no faith in politicians, but politicians should be doing this. I don't like to see public buildings lit up at night" (Lisburn, NI, Event 3)

"My thoughts at the end of the first day are these. If I had to redesign my home, I would make sure to have underfloor heating by using a ground source heat pump. I would also install double glazed windows, loft insulation, and maybe solar panels, and a kill switch to knock off items that are left on and shouldn't be on when the home is unoccupied. All these energy saving products would add value to my home. And take years of my carbon footprint. But I would need a grant to help with the extra costs!" (Irvinestown, NI, Event 1)

"We should insist to government that they require these specifications and must meet the costs with more than 50% grant" (Irvinestown, NI, Event 1)

"Show and Tell – they should provide a show house containing examples of energy saving amenities" (Irvinestown, NI, Event 3)

Wales

"We need people on the ground to help us. How can you change if you don't know what to change to?" (Cardiff, Wales, Event 1)

"I can look at the windows now and see a draught coming through, that I wouldn't have noticed before. And the insulation – before, I'd left it all to my husband, but I'm thinking now - do we have enough?" (Cardiff, Wales, Event 3)

"I could have an interest free loan maybe [to get these technologies], but I'm just surviving at the moment, I'm not going to make any more payments each month." (Cardiff, Wales, Event 3)

"You see, all these things are already happening, but slowly. It sounds like the Government wants to make them happen more quickly. The help from Government which would make a difference is financial help. Most here in Llani are interested already and have spent some money. Most would like to do more." (Llanidloes, Wales, Event 1)

"To encourage action in the community, if someone had enough enthusiasm they could get it going" (Llanidloes, Wales, Event 3)

"You are busy working away...you switch things on and you don't think about them - until you come to this meeting. From coming to these meetings, you do think more about what you are using. We all need more education, and you do learn more." (Llanidloes, Wales, Event 3)

"We need knowledge and faith in the technologies. If someone like Dave, the expert here today, came to our village and educated people it would make a difference and give us more confidence." (Llanddaniel, Wales, Event 1)

"We need to increase capacity to build and fuel new technology. If there are only 3 biomass fuel suppliers in the UK, we need more installers." (Llanddaniel, Wales, Event 3).

"This is a massive undertaking but with the service industry on the decline because of the economic climate, there is a big opportunity for green manufacturing to boost employment during a recession." (Llanddaniel, Wales, Event 3)

England

"Only 10% of people in Cockfield have gas, gas is a dead end. I'd rather see a wind turbine than a pylon" (Cockfield, England, Event 1)

“There has to be legislation but also enforcement. Incentives to upgrade a property when you buy a home. Younger people are more likely to take up new technologies than older people” (Cockfield, England, Event 3)

“I think they need to think about financing it better. For example at the moment money is given to older people to help them with heating bills, a lot of them don’t need it whereas others do. I have an elderly relative who gives it to her daughter to help pay the daughter’s bills – money for energy saving needs to be going to the right people to make a difference.” (Exeter, England, Event 1)

“A lot of it came down to cost. All the people I interviewed in my Event 2 task said they were willing to install if they had the money or the Government gave more support”. (Exeter, England, Event 3)

“I want to fast forward to a world where we’ve fixed the problems, and can only buy equipment that is energy efficient. Why doesn’t government say right, we’re just going to insulate every house!” (Harrow, England, Event 1)

“It’s not just about money, it’s helping people know what they could do. You could have shopping centre talks.” (Harrow, England, Event 1)

“We want a compulsory energy assessment before selling your house, grants to bring people up to standard, discounts off council tax if you do it, and the exemptions assigned so there isn’t a grants gap” (Harrow, England, Event 3)

Beyond geographical location, different needs emerge across different types of people; so different groups are likely to need different incentives and help

- Urban and rural populations;
- Those on higher incomes vs. those on lower;
- The housing stock is so diverse that there is a need for very targeted information about what is possible in each type of home;
- Lifestage also makes a difference; pre-retired, retired, older family, younger family, pre-family; all have different housing needs and are prepared to do more/less on their homes.

There is scope for segmenting audiences and identifying potential early adopters to act as exemplars, who can help push forward takeup of innovations.

Appeal of technologies, and barriers to adoption

Appeal of technologies, and barriers to adoption

Appeal and key barriers

The technologies which most appealed were those which participants perceived to have low upfront costs and high value for money. There was also a feeling that the more normal and familiar a technology seemed, the more appealing it was. For instance, smart metering is considered a better version of existing meters, offering households more practical and accurate information. Some energy efficiency propositions (such as loft insulation, double glazing, heating controls) are considered either low cost/short payback, intuitive, “normal” and/or offering additional benefit (e.g. double glazing in terms of crime prevention, reduced noise and improved aesthetics, as well as familiarity). Other insulation ideas are seen as more challenging, and some significant barriers are evident, blocking mainstream adoption for some insulation ideas and for micro-renewables in general.

Cost: Emerges as a primary barrier. First, and in line with basic economic theory on discounting rates, householders dislike high upfront costs with long payback. Pushing some groups on their ‘thresholds of price acceptability’, a general rule was that anything too far above £1,000 was considered prohibitive. Low income people can’t imagine being able to afford anything like this. Second, there is scepticism about actual paybacks, with some homeowners dubious they would achieve the advertised savings. Given the likelihood of rising prices in future, a message of “your bills won’t go up as much as they might do if you don’t install this” is understandably less palatable than a guarantee that “your bills will go down”.

Risk: Many homeowners are concerned that some of the energy generating technologies are relatively untried and hence a potential risk. Several pointed out that, as with all specialist systems, maintenance and repair costs will be high. Others noted that they would be “guinea pigs” for the first generation technology while others would stand to benefit later on from cheaper and more reliable versions. This makes many reticent to pay the upfront costs, while others are suspicious of claims about annual savings and payback periods. Many are very keen to hear whether these systems are already in operation (in the UK or Europe) and whether they have been fully evaluated. Connected with these concerns about risk, householders needed to understand how all the propositions would work in relation to their own home.

Disruption: Anything that could minimise installation disruption, for example undertaking several improvements all at once, was welcomed. However homeowners talked about disruption, when really they were worrying about risk. Individuals considering installing some of the new technologies felt out of control; because they are not experts on technology, did not necessarily trust installation experts; hence felt unable to predict other disruptions or breakages which might occur along with installing any new kit. For example, many participants groaned at the memory of having boilers installed, which had affected the central heating in unpredictable ways – they imagined these technologies would have similar unintended consequences.

Aesthetics: Householders also make non-financial assessments of costs and benefits which are equally important to them. Several participants stated that if they had the spare money, they would invest in other home improvements, (such as a new kitchen, bathroom or garden patio), instead of energy saving measures; because these others are perceived to offer a range of aesthetic benefits as well as adding value to the house or reducing bills. In some cases, energy saving propositions are actually seen as detracting from the appeal of the home, (e.g. loss of space with internal solid wall insulation, or covering up valued brickwork with external solid wall insulation). During some exemplar visits, participants were put off by the style of décor in the properties. They were not sure whether the décor was dictated by the energy saving measures, or whether it just reflected the taste of the occupants.

“It looks like a Spanish holiday home...very cold, not a family home.” (Harrow, England, Event 2 exemplar visit to BRE Innovation Park)

“The aesthetics of it were a problem. They need to make it more like a real home. She was an architect, she wanted it to look like this. It would have more impact to show a family living in it. (Second participant) Could you actually make it look more normal, though? The floors were black, I thought they had to be black to keep the heat of the sun in? It was partly about her taste, but everything had a function.” (Cardiff, Wales, Event 3, discussing Passivhaus visit)

There was a universal call for demonstrations of retrofit properties which looked very similar to mainstream homes of today; to reassure householders that energy efficiency does not mean a significant compromise on the style or liveability of your home.

Funding the Big Energy Shift

Funding the Big Energy Shift

In every Forum, a majority of participants called for legislation

Participants suggest that this would serve several functions.

- Bringing all homes up to a minimum standard of CO2 emission by a set deadline; essential if any targets are to be achieved.
- Demonstrating that the Government is taking the issue seriously – having a ‘symbolic’ function.
- Motivating individuals to take action, by raising general awareness that their own decisions on home energy are part of a bigger social programme.
- Linking local activities to a national agenda, and enhancing credibility of local initiatives.

Homeowners believe that all significant changes in individual consumer behaviour in recent years have needed legislative backup as well as social marketing communications and individual incentives (public health behaviour, road safety, the human rights agenda and so on). In situations like the Big Energy Shift, where an individual's consumer instincts might conflict with society's best long term interests, they believe government should step in to make things happen within a timescale.

“You need to scare me with a big stick and enforce it”
(Irvinestown, NI, Event 3)

HOWEVER – the call for legislation has associated conditions, around timescales, the way the Shift should be paid for, and who should be required to pay.

Give individuals significant help with upfront costs

Householders accept that society as a whole may need to bear the costs of the Big Energy Shift, and believe that Government should take the lead on upfront costs, persuading and incentivising individuals with plentiful grants and loans and recouping the money through general taxation. Then, legislation could come in later to penalise individuals whose homes did not meet required standards.

They suggest that grants of more than 50% or even 80% of upfront costs could be necessary to get over some barriers, for some of the more advanced generation technologies or some of the more disruptive insulation options. Grants are more appealing than loans for

participants on lower incomes, as in current housing market conditions, they can no longer rely on the value of their house to appreciate and make them money, so they are not prepared to take out loans against property equity.

“Government can’t do anything without our help, but if they want our help they have to help us financially. We need grants, Anglesey is an economically deprived area and paying back gradually through bills is the only way we can do it”
(Llandaniel, Wales, Event 1)

Grant and loan schemes are generally seen as impenetrable and complex, so there may be scope for a ‘simple and symbolic’ financial gesture, driven from the centre, not means-tested, to show that Government is keen to get everyone on board and give them the responsibility to start making decisions. (e.g. giving smart meters to everyone in the country).

Set fair targets and a fair timescale for compliance

“Legislation is the only solution, but it should be graduated”
(Llanidloes, Wales, Event 3)

Because of the UK’s diverse housing stock, householders will need different solutions, with different associated costs. Targets and assistance should be carefully geared, so that similar levels of effort are required from everyone, rather than an unfair financial burden placed on some. The public acknowledge that this is a real challenge, as it takes in complex issues to do with means testing, benefit allocation, and setting the timeline for legislation.

“A specific rating to your own house, and grants done sensibly.” (Harrow, England, Event 3)

Because people will need time to get their houses in order (literally!), there will need to be a long lead time before compliance becomes compulsory, with a clear policy trajectory of assistance before enforcement.

“I think it’s dangerous to go too far down the ‘it is law’ route, too quickly, cos it’ll create a resentment towards the whole idea of energy saving” (Cookstown, NI, Event 3)

Assistance, persuasion, normalising the technologies and making it easy for people to choose are all seen as important.

“Trail blazers are really important, getting the technology out into the community, it needs to become more of a social norm that people can get involved in” (Lisburn, NI, Event 3)

However these are seen as only likely to work if set against the backdrop of upcoming legislation.

Create local area strategies led by local government, to raise awareness, interest and voluntary take up

Each area will have different energy resources and housing stock, so local targets and roll-out of technologies were suggested, organised by local authorities who were perceived to know the area best and have the resource to lead on this. Participants suggested that word of mouth is very important when it comes to change in the home, and seeing real life examples was one of the most compelling incentives for individuals to take up new ideas. Therefore, local programmes of exemplars were called for.

Except in the most rural areas, there is some debate over what actually constitutes a ‘community’; and participants call for local government to define areas and help people in the most cost-effective way. For example, the council could identify people who shared a terrace of houses built to the same specifications, or help a village on the banks of a river, or on a hill particularly well adapted for solar power. This is seen as a good way of creating and leveraging community, rather than leaving individuals to self-organise (which participants did not believe was likely to happen).

Participants are broadly positive to community level energy solutions, and district CHP in particular makes intuitive sense in terms of capturing and distributing the heat from energy generation. But householders place the responsibility to initiate community energy generation solutions squarely with central Government, bringing in local authorities and energy companies to help delivery.

“I can’t see any way it can be done without professionals doing it, not volunteers from the community” (Harrow, England, Event 3)

“It has to be a three pronged attack, the energy companies and government and the council.” (Harrow, England, Event 3)

Choice is an over-rated concept, instead nudge people towards action

“We don’t really have a choice, it’s just about making people think they’ve got a choice!” (Cardiff, Wales, Event 3)

Enthusiastic frontline staff and independent, tailored advice to the individual household are seen as key drivers to help people take up new technologies. Overall the public are very fearful of their ability to make good consumer choices in this area, as the technologies are so unfamiliar they find it hard to weigh up the risks, costs and benefits. Because of this, options which suggested giving people free choices to invest in different technologies were not successful.

“I just wouldn’t know what was the best one for me, and I haven’t got the time to find out about them all.” (Cardiff, Wales, Event 3)

Householders also point out that in the short term, less environmentally friendly options are likely to seem cheaper, less risky and more aesthetically appealing to individuals, and it is unfair to ask individuals to overcome their natural leanings towards those options.

“When you go to buy an appliance, why don’t they just sell A and B fridges, why bother selling the E and F ones?” (Exeter, England, Event 3)

They would be happier for area-based solutions to be rolled out and given limited, but reliable choices, appropriate to their housing, with accredited fitting and maintenance.

Government must walk the walk as well as talking the talk

Government must lead the way in installing insulation and microgeneration in public buildings such as schools, hospitals and shopping centres, especially if legislation is on the horizon. This would provide much needed exemplars of the technologies in practice, demonstrating how they actually work and helping to normalise the technologies. There is also a symbolic role, as with legislation, demonstrating that Government takes the problem seriously and is cutting out waste everywhere.

“I work in the school and they have the heating on full blast and the windows open all the time – what a waste, gallons and gallons. It’s madness, but human nature, if you’re not paying

for it yourself you stick the heating on." (Cookstown, NI, Event 1)

"You need large scale schemes of new technology government examples." (Cockfield, England, Event 3)