

Foreword from the Chairman

Benefits of Energy Advice

The Partnership's Energy Advice Providers Group (EAPG) defines domestic energy advice as that which is *specific to individuals and their circumstances and aims to improve energy efficiency and achieve affordable warmth*. This research was commissioned by the EAPG to identify the most effective delivery mechanisms for providing energy efficiency advice and to discover what actions consumers took as a result of advice. In addition we wished to identify the benefits that consumers noticed from following advice.

A number of studies have explored the effects of giving advice to domestic consumers but this is the first research to evaluate energy advice across all delivery mechanisms and all significant advice providers.

I am delighted to confirm that this study clearly demonstrates that advice works. The executive summary of the research report outlines a series of findings and recommendations, some of which will underpin the work on developing a Code of Practice for energy advice, which is being taken forward by the EAPG. This will need to be reinforced and supplemented by a continuing programme of work to improve the effectiveness of current advice provision and to increase the availability of credible effective advice.

Crucially the findings and recommendations are relevant for every organisation providing advice. We all need to learn the lessons from the research and implement changes to ensure that advice continues not just to work but to do even more to improve the uptake of energy efficiency. I hope you find the findings of interest and use.

Phil Beynon,



Chair of the Energy Advice Providers Group
Energy Efficiency Partnership for Homes

EXECUTIVE SUMMARY - Benefits of Energy Advice

1. Background – Research Objectives and Methods

- 1.1 This research was commissioned from New Perspectives and BMRB International by the Energy Advice Providers' Group in order to explore the relative effectiveness of different methods of delivering advice on domestic energy efficiency, and the benefits arising from following that advice. It is the first research to apply a common methodology to the evaluation of energy advice across all delivery mechanisms and all significant advice providers. It covers the effectiveness of delivering such advice through written, telephone and face-to-face means, and under different circumstances – e.g. when it was client-led or opportunistic - given either when people asked for it, or given when people had not asked for it but when there were good opportunities to provide it, such as when people moved house, had new heating systems installed, or were having their homes surveyed for grant-aided measures. This research explores what advice people follow and the benefits of following that advice, in terms of warmer and more comfortable homes, better health and lower fuel bills.
- 1.2 This research did not aim to attribute energy savings to the actions that consumers claim to undertake as a result of being given advice. Following a systematic review of previous research carried out in this field, the Energy Advice Providers' Group took the view that any measurement of energy savings, particularly those arising from behavioural changes, had to be undertaken as a quite distinct piece of follow-up work once it had been clearly established what actions were being taken as a result of advice.
- 1.3 The major part of this research was carried out in January 2002, through a telephone survey of 1,900 interviews with people who had received advice from a variety of energy advice sources (e.g. EEACs, fuel companies, local authorities, fuel poverty projects) between October, 2000 and March, 2001 – long enough ago for people to have installed something and to be noticing some benefits, but not so long ago that most have forgotten the advice.
- 1.4 An additional small-scale self-completion survey was carried out among 35 homes where a Home Energy Report had been issued (between October, 2000 and February, 2001) to prospective purchasers of homes by the surveyors acting for their mortgage company. The total sample of 1,935 was structured to represent all the known types of domestic energy advice, and the various methods of providing that advice.
- 1.5 More than half of our 1,900 energy advice customers had completed a paper questionnaire about their home, or answered some other questions, as part of the process of receiving energy advice. Some then received the advice in a report or in leaflets, others received verbal advice at home or elsewhere (e.g. at EEACs) and some received advice over the telephone. Many customers received advice in a combination of ways – e.g. a written report and verbal or telephone advice too, or verbal advice at home backed up by leaflets.
- 1.6 A wide variety of advice was given to different customers – e.g. advice on measures to install and grants available, how to save energy while cooking or through careful control of heating, hot water and lighting, and how to combat condensation. We found that different

types of advice, delivered under different circumstances, can be remembered more clearly (or less well) and can have slightly different effects. These differences are summarised in the chart on page (vii) of this Executive Summary.

2. Main Telephone Survey - Recall of energy advice

- 2.1 Between 9 and 15 months after receiving advice most people (85%) do remember the energy advice they received, and most of these people have acted upon that advice and derived some benefits as a result – warmer homes, lower fuel bills and better health. But around 15% of advice customers cannot recall receiving any advice. This may be either because they have forgotten receiving it, or because they did not recognise it as “advice” at the time, or because they binned it as “junk mail”. Where energy advice is unsolicited (e.g. given later to people who took part in a HECA Monitoring Survey) the proportion not recalling the advice can rise to 40%.
- 2.2 Over half the people in our telephone survey who recalled receiving advice maintained that they had not asked for it – i.e. it was opportunistic. This type of advice tended to be written advice (including EEAC reports) and leaflets, and was mostly given to people after they had filled in a paper questionnaire, moved in to a new home, or had just got (or were about to get) a new heating system, insulation or heating controls. But almost half our sample had asked for advice themselves, and this client-led advice tended to be requested because households wanted to save money, their home was too cold, they knew their insulation was inadequate and some measures were broken or worn out, and they wanted to know about any grants available.
- 2.3 Recall of advice about energy saving measures to install in the home is highest among those who receive a written report or who receive both written and verbal advice, and especially when that advice is client-led. The same holds true for recall of advice about grants. But most customers only recall about two key recommended measures on average (whereas we know that rather more than this are often recommended by advice services).
- 2.4 Recall of advice about behavioural changes to make to save energy (e.g. controlling lighting, heating and hot water more carefully) is highest among those who received both written and verbal advice, including verbal advice given over the telephone. But client-led and opportunistic advice seem to work almost equally well in conveying behavioural advice.

3. Main Telephone Survey - Actions taken following energy advice

- 3.1 Most of those customers who recall advice about specific energy saving measures to install, or grants to help them do so, do go on to install one or more energy saving measures – 70% do so. Loft insulation (installed by 32%), CFLs (30%), draughtproofing (20%), and cavity wall insulation (19%) are the measures most often installed following advice.
- 3.2 On average those who recall advice about energy saving measures go on to install about 1.5 measures each. Some types of advice are more effective than others in encouraging the installation of more energy saving measures than this average: verbal face-to-face advice (especially where this is delivered at home or is client-led), and written and verbal advice - including reports with verbal or telephone contact.
- 3.3 Verbal advice also plays an important role in encouraging action. Where written advice only is given, fewer people apply for grants or install any measures. Where written advice is backed up by verbal advice more people apply for grants and install measures. And verbal advice seems particularly effective at encouraging behavioural changes that can save energy - e.g. changing cooking habits, control of heating, hot water and lighting, and condensation control.
- 3.4 Although client-led advice is generally better remembered and more influential than opportunistic advice, opportunistic advice does work quite well at both encouraging customers to install energy saving measures, and modifying their behaviour in order to save energy: 63% of customers receiving opportunistic advice about measures or grants do install some measures (1.3 measures each), compared to 78% of all those receiving client-led advice about measures or grants (who install 1.6 measures each). On average about 63% of all opportunistic behavioural advice is followed, compared to about 70% of client-led behavioural advice.

4. Main Telephone Survey - Motives and barriers in following energy advice

- 4.1 The main reasons why most advice customers (70%) do install at least one of the measures they have been advised to, is because they want to save money/energy/improve fuel efficiency (47%), or to increase home comfort/be warmer/keep the heat in (30%).
- 4.2 But 30% of customers advised to install some energy saving measures have not done so 9 to 15 months after receiving advice. In some cases this is because they already had in place some of the measures advised; for others the reasons were mainly lack of money/high cost of products or being not convinced of the savings, or because they were happy as we are and assume we don't waste much energy, or simple lack of time to arrange it/get around to it.

5. Main Telephone Survey - The benefits of following energy advice

- 5.1 The main objective of this study was to identify the benefits enjoyed by those customers who followed different kinds of advice from different sources. Almost two thirds (63%) of

the advice customers who followed any of the energy advice they received have already benefited from warmer and more comfortable homes. Verbal or telephone advice seems to play an important role here, and written reports alone have least effect. And of all the customers who had previously suffered from draughts, damp or condensation, over two thirds have noticed some improvements after following the energy advice they received: fewer draughts (58%) or cold spots (49%), less condensation on windows (39%) or walls (18%), less damp (16%) and less mould (14%).

- 5.2 Another major benefit is that almost a quarter (23%) of those who have followed any advice report improved health. Both telephone advice and the written/verbal combination again worked well here. The commonest health improvement mentioned was that people just generally felt warmer, but a few also reported fewer colds, coughs or influenza, less asthma, fewer breathing problems and chest infections, and a general feeling of being fitter and stronger. These improvements were noticed more by people who had followed advice on condensation, installed grant-aided measures, and followed energy saving tips on cooking and heating control.
- 5.3 Over a third (34%) of all customers who received any advice have already noticed lower fuel bills; but this rises to 47% among those who received written reports and some verbal or telephone advice as well. The average savings reported by those who have noticed any savings are around £17 per (winter quarter) or probably about £51 a year. Where customers have followed a range of types of advice (e.g. installing measures and controlling heating and condensation) or had installed some grant-aided measures, more of them have already noticed savings. Nor are comfort and savings mutually exclusive; of all those who have already experienced warmer or more comfortable homes, over half (53%) have already noticed lower fuel bills and only 4% feel that their fuel bills have risen.

6. Supplementary Postal Survey of 35 recipients of Home Energy Reports

- 6.1 Our second small-scale survey covered 35 households that received Home Energy Reports as part of the HomeFile report they received from their mortgage provider's surveyor. We have compared the results these reports achieved with those achieved by other written reports.
- 6.2 Although most of those who received these Home Energy Reports had read them and recalled more of the energy saving measures advised, only about half had actually installed any measures, although those who had had installed rather more than recipients of written reports in the telephone survey. One reason for this was lack of money, partly because few of these homebuyers were eligible for grants (or even told about them). Little or no behavioural advice was provided in these reports.

6.3 About half of those who installed any measures had found their homes became warmer, or had less damp and condensation. Although no one had yet noticed any health improvement, two respondents had already noticed lower fuel bills. We conclude that this type of energy report for homebuyers can have beneficial results, but that our sample was too small (because our response rate was too low) for us to draw conclusions about its likely impact on all homebuyers who receive such reports.

7. Conclusions and Recommendations

7.1 From these data we have learned that all types of advice can produce useful financial savings and/or improvements in people's comfort, warmth, environmental conditions and even health, where people take note of and follow that advice. We conclude that energy advice can play a major role in changing people's awareness of the opportunities to save energy and money, and to improve their housing conditions and health. We recommend further expansion (and improvement) of energy advice services in order to enable them to fulfil their full potential.

7.2 We have found that client-led advice is usually more effective than opportunistic advice at encouraging people to take action, but it does rely on people asking for advice. Sometimes opportunistic advice can be almost as effective as client-led advice in promoting change, although not everyone remembers or acts on the opportunistic advice they receive, either because it is not fully appreciated as "advice" at the time, or because they find it too expensive or bothersome to follow. Since there are now more opportunities to provide opportunistic advice (i.e. without waiting for people to ask for it) we therefore recommend an expansion of the provision of opportunistic advice, as well as of client-led advice, in order to reach as many homes as possible with the energy advice message, and to ensure the benefits that follow if this advice is heeded.

7.3 Of all households which recall receiving advice on energy efficiency measures to install or grants to help them, 70% do go on to install one or more of those recommended measures within 9 to 15 months. The types of advice which are more effective at encouraging the installation of measures are client-led advice, verbal face-to-face advice, and the combination of written and verbal advice.

7.4. But we also conclude that there is plenty of room to further improve the effectiveness of advice, since 30% of those who receive advice on measures to install do not install any of the recommended measures. And even those who do install some recommended measures usually only install one or two (whereas we know that many homes lack around four to nine desirable energy efficiency measures). We know that access to grants is key to encouraging the installation of more measures, especially among the Fuel Poor. But access to grants is lowest among those who receive only written reports or only leaflets: access to grants is significantly better among those who also get some verbal or telephone advice from their energy adviser. This underlines the need for more advice customers to be supported by their adviser through the process of applying for grants.

7.5 We therefore recommend that any advice services which make use of self-completion energy audits and written reports also encourage more direct telephone or face-to face verbal

contact with those customers who are more likely to benefit from this - the elderly, fuel poor, disabled and those with reading difficulties who may find written recommendations hard to follow, and grant application forms tricky to deal with.

- 7.6 We have also discovered that about two thirds of all behavioural advice is followed by those who recall receiving it. Such advice is followed more often when it is delivered verbally, and especially when face-to-face at home, but is followed much less often if given only in leaflets. For these reasons too, we recommend the expansion of the provision of verbal advice, including home visits, especially for those with reading difficulties and other vulnerable groups who may need extra support in order to secure the full benefits of energy advice. We recommend that major providers of energy advice, such as Energy Efficiency Advice Centres and the fuel providers, should be required to provide home visits for customers who request them.
- 7.7 We have learned that some customers who receive written energy advice do not recognise it as such, and probably throw it away and forget about it. We recommend that this problem too is tackled by the providers of energy advice – both through regular monitoring of receipt and usefulness of advice, but also by striving to improve the “visibility” and “value” of energy advice sent to customers. This can best be done through a programme of professional design development, pre-testing and evaluation of the key advice materials – e.g. written reports, leaflets and self-completion energy audit questionnaires. Improvements here that significantly increase the numbers responding to unsolicited Home Energy Checks, or in the numbers following written energy advice, should provide payback in terms of benefits that far outweigh their costs.
- 7.8 Finally there is the question of the development of Best Practice guidelines for the provision of energy advice. From our findings here we conclude that written or verbal advice alone is less effective than a combination of both written advice and verbal or telephone contact, and we recommend that this dual approach should be encouraged by any Best Practice guidelines. We have also found that inappropriate advice is sometimes given (e.g. to install measures which are already in place). This undermines the credibility of other advice given at the same time, so we suggest that advice on measures to install should always be based on an energy audit of the customer’s home – usually done on a self-completion basis, but sometimes with the help of an energy adviser (on the telephone or at an advice centre) or even through a home visit.