

# Written evidence submitted by Citizens Advice (CAUK0025)

## 1. Executive summary

- Citizens Advice is the statutory consumer watchdog for British energy consumers - with extensive experience monitoring previous energy schemes and infrastructure projects on behalf of consumers.
- As participants and members of the advisory panel for Climate Assembly UK, we welcome the opportunity to provide evidence to the BEIS Select Committee on how far the government and other stakeholders have engaged with the findings of the assembly, and how much progress Ministers have made to develop policies and measures that implement the Assembly's recommendations.
- Citizens Advice supports the goal to achieve net zero. We know it won't be possible without the support and buy in of everybody in the country. Citizens Advice also gave evidence to the assembly as an 'advocate', representing the views of Citizens Advice to assembly members considering the topic of 'energy in the home'.
- Given this participation with the Assembly, Citizens Advice's response focuses on two main areas of concern:
  - Information, protection and support to help people engage with the changes they need to make to their homes
  - Local area energy - specifically the lack of government action to ensure that there is a consistent approach across the country in relation to governance, engagement and cost.
- Citizens Advice recommendations for government:
  - Government must do more to tackle the public engagement challenge on net zero, by expanding the information, protection and support available for people to confidently make net zero changes to their homes.
  - Government must set out a national framework for local area energy plans, providing support for local authorities to deliver their net zero strategies and avoid a postcode lottery of energy approaches across the country.
  - Government should provide regular progress reports on how they're taking forward Climate Assembly UK's recommendations through net zero policy.
- Citizens Advice recommendations for Parliament:
  - Citizens Advice welcomes the BEIS Select Committee's scrutiny of the government's plans for net zero and the establishment of the Inquiry into Climate Assembly UK.

Parliament must continue to provide regular oversight and scrutiny of the government's progress towards meeting Climate Assembly UK's recommendations.

## 2. About Citizens Advice

2.1 Citizens Advice gives people the knowledge and the confidence they need to find their way forward - whoever they are, and whatever their problem.

2.2 Our network of independent charities offers confidential advice online, over the phone, and in person, for free.

2.3 We are the statutory advocate for energy consumers and run the national consumer helpline. Last year we helped 2.7 million people with 6.3 million problems.

2.4 We use our evidence to show how things can be improved for people.

## 3. Submission

### 1. Has Climate Assembly UK (both its process and recommendations) been helpful to your work (or the work of your organisation), and if so, how?

3.1 The findings and final report from Climate Assembly UK align closely with Citizens Advice research and advocacy on net zero. This is encouraging given the extensive scale and depth of the Climate Assembly UK's work and final report. It demonstrates the need for investment from the government for information, advice and support to help people make decisions when it comes to reaching net zero.

### 2. How do you perceive Climate Assembly UK to have affected the work of Government since the Assembly's report was published (10 September 2020)? To what extent do the Government's actions since then reflect Climate Assembly UK's recommendations?

3.1 The government has warmly welcomed and recognised findings from Climate Assembly UK's work. However, this has not yet been translated into action, and it is imperative that the government swiftly responds by building on the assembly's recommendations in its forthcoming net zero policy documents.

3.2 Climate Assembly UK members agreed 25 underpinning principles for the path to net zero. These were arranged in order of priority, with first place given to: *Informing and educating everyone (the public, industry, individuals and government)*. This is in line with Citizens Advice recommendations - as the statutory consumer watchdog for energy consumers, we know people want the following when making changes to their homes<sup>1</sup>:

- Unbiased information they can trust — if people can't easily get information on what changes are needed and how to make it happen, they won't do it.
- Strong consumer protections and somewhere to turn if things go wrong — if people hear of stories of dodgy builders, scammers and homes being damaged, they won't make the changes they need to.

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<sup>1</sup> [Navigating Net Zero](#), Citizens Advice, March 2021

- Financial support — a range of funding options and help to work out which one is right for their circumstances.

3.3 A majority of Climate Assembly UK members ‘*strongly agreed*’ or ‘*agreed*’ on 19 policy measures relating to heat and energy use in the home that should be part of how the UK gets to net zero. Encouragingly, 92% of the members backed a policy measure to have *simpler consumer protection measures*. A clear majority also backed a call for *Information and support funded by government* (83%), or *information and support provided by government* (72%). Despite this recognition of the need for more information, support and protection for people to reach the net zero target, this is an area where the government’s policy response has been lacking.

3.4 The Covid-19 pandemic had a significant impact on the work of the Climate Assembly and on government priorities over the last year. Despite this, there have been a number of high profile and ambitious government announcements and commitments on the net zero transition, including:

- The Prime Minister’s 10 point plan for a green industrial revolution
- Energy White Paper - powering our net zero future
- A faster pathway towards the net zero target, with a commitment to reduce emissions by 78% by 2035

3.5 The 10 point plan and Energy White Paper set out the government’s approach to reaching net zero- but are lacking in depth, direction or delivery as recommended by both Climate Assembly UK and Citizens Advice. Particularly when it comes to giving consumers information, support and protections as they navigate options for the big changes that need to be made to homes.

3.6 This gap between ambition and delivery is significant. The failure of the Green Home Grant and government’s subsequent decision to scrap the scheme shows just how difficult it is to get these changes right. The scheme was beset by problems, including difficulties issuing vouchers, difficulty locating local installers and people struggling to navigate the application process.

3.7 Citizens Advice research supports the view taken by Climate Assembly UK that people are likely to be willing to make changes such as installing low carbon heat<sup>2</sup> - but there’s a lack of knowledge about what changes will be required and how they will be paid for. The government must invest in a significant programme of public engagement to explain the changes coming down the track. If people don’t understand why they need to make these changes to their homes, they won’t take action.

3.8 Beyond public engagement, there needs to be a whole system of information and support to help people work out the best options for their home. 29 million homes need to go through this process, so it needs to be as simple as possible for people to navigate.

3.9 The government can and should go much further in its response to Climate Assembly UK’s recommendations, particularly in its plans for public engagement, information, protection and support to help people make changes to energy in their homes to reach net zero. As part of its inquiry, the Committee should consider putting the following questions to the Minister and officials:

- What plans do the government have for public engagement on net zero? Will there be a national, coordinated campaign to help people understand what the targets are and

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<sup>2</sup> [Taking the temperature: consumer choice and low carbon heating](#), Citizens Advice, August 2020

- what they mean for people in their homes?
- Climate Assembly UK member members agreed 25 underpinning principles for the path to net zero. These were arranged in order of priority, with first place given to: *Informing and educating everyone (the public, industry, individuals and government)*. Given the obvious strength of feeling amongst assembly members about the current lack of information, what is the government planning to do to address this priority?
- How confident are the government that the current consumer protection provisions are robust enough for the scale of the change required, in terms of home, heating and energy efficiency improvements?
- What consideration has been made of the need for extra provisions or programmes to support people in vulnerable circumstances to engage with the net zero changes that need to be made to homes?
- How will future schemes to improve homes be monitored - and are the plans and provisions for enforcement activity robust enough?

3.10 Climate Assembly UK also made a number of recommendations relating to local area approaches to climate change and community interaction. A key recommendation from the Assembly was for *tailored solutions, enabling local authorities and other local organisations to choose solutions suited to their local areas, and householders to pick the options best for them*.

3.11 Recently published [Citizens Advice research](#)<sup>3</sup> recognises that local area approaches to energy offer potential benefits for consumers. However, there is no single, agreed framework for local area energy - and there's an urgent need for national coordination and support. We found that there are significant inconsistencies in the way local areas approach governance, engagement and costs. These are issues where people deserve to understand decisions that are being made that might affect them.

3.12 Without national coordination we risk a 'postcode lottery' in which some people pay more or miss out on programmes to improve their homes solely because of where they live. Whilst there is much to be gained from local area approaches, it's vital that the government understands what is happening locally and crucially sets out the parameters and support for local authorities to deliver.

3.13 As part of it's response to Climate Assembly UK's recommendations the government must respond to this complex and vital challenge. There is a delicate balance between national equity and local diversity. Government has the opportunity to publish a national framework to give local authorities, businesses, community groups and other stakeholders the opportunity to engage with confidence in plans to reach net zero. The select committee could question Ministers and officials about:

- How they intend to take a cross-government coordinated approach to delivering net zero at a local level?
- Will the government establish a national framework to give local government and other stakeholders more clarity about the expectations and minimum standards when it comes to governance, engagement and costs for local area energy plans?
- How does the government plan to invest in local authority expertise and leadership on net zero at the local level?

### **3. What would a good response to Climate Assembly UK from the Government look**

<sup>3</sup> [Look before you LEAP: Ending the postcode lottery of local area energy plans](#), Citizens Advice, May 2021

## **like? What would a good response from Parliament look like**

3.1 It is essential that the government takes time to understand and respond in a considered and practical way to the recommendations that the Climate Assembly UK made. This should include clarity about the recommendations that it will not be taking forward, as well as those that it will. When the government has set out its intentions it should also commit to publishing annual progress updates on the recommendations that have been taken forward.

3.2 There are a number of upcoming strategic opportunities to take action on Citizens Advice and Climate Assembly UK's concerns about both local area approaches and the lack of information protection and support for people to improve their homes - including:

- Heat and Buildings Strategy
- HMT Net Zero Review
- Net Zero Strategy

It will be disappointing if the government does not take these opportunities to respond to Climate Assembly UK.

3.3 Regarding public engagement, a positive response to the Climate Assembly UK by the government would include establishing a net zero homes guarantee. This would be a government-backed scheme focused on giving people confidence to install low carbon heating systems or energy efficiency measures. The guarantee would help people to make informed decisions, and establish simple, enforceable, protections, so people can engage with confidence. It must include support for people through funding, finance and incentives.

3.4 Climate Assembly UK was clear that it wants the net zero response to be rooted in communities. The recommendations from the assembly were in favour of local solutions to home energy changes. Government has a role in facilitating this, to ensure that it does not result in a 'postcode lottery'. At the moment there's a huge difference between a local authority with a dedicated budget and team of energy experts and one that has no dedicated resources or staff. Investment and expertise will without a doubt have an impact on the success or failure of the differing approaches to local area energy.

3.5 Government should also set out a national framework for local area energy and local area approaches to net zero more generally. This framework should include guidance and support on governance, engagement and costs.

3.6 A good response from Parliament would ensure regular accountability and scrutiny of the government's plans. The six select committees that commissioned Climate Assembly UK have a role to play in championing this research and recommendations. We strongly support the BEIS select committee's commitment to monitor and review, on a regular basis, the government's engagement and interaction with the findings of the assembly, and progress in implementing its proposals.

3.7 More generally, Parliament should continue to push for regular government progress reports on plans to meet net zero and progress against Climate Assembly UK's recommendations. These should be accompanied by debates to ensure appropriate Parliamentary scrutiny.

## **4. Recommendations**

4.1 Citizens Advice recommendations for Government:

- Government must do more to tackle the public engagement challenge on net zero, by expanding the information, protection and support available for people to make net zero changes to their homes with confidence.
- Government must set out a national framework for local area energy plans, providing support for local authorities to deliver their net zero strategies and avoid a postcode lottery of energy approaches across the country.
- Government should provide annual progress reports on how they're taking forward Climate Assembly UK's recommendations through net zero policy.

#### 4.2 Citizens Advice recommendations for Parliament:

- Parliament must continue to provide regular oversight and scrutiny of the Government's progress towards meeting Climate Assembly UK's recommendations.

*May 2021*