

NEW RESEARCH

Exploring the role of choice in the heating transition



Cadent
Your Gas Network

Savanta

Executive summary



Cadent commissioned Savanta to assess the general public's view of the role choice should play in future domestic heating solutions.

It sought to understand the implications of any natural gas boiler ban, to what extent consumers believed any such a ban would affect their lives, and the degree to which they feel different audiences should be involved in decision-making. Our aim was to better understand the role of choice as a way to inform future policy decisions.

To gain this understanding, Savanta conducted 4 full-day deliberative in-person workshops with a broad range of UK adults, as well as one online focus group with people who live in homes not connected to a gas supply ('off-grid').*

The research uncovered six key findings:



- 01 Let me choose - one size does not fit all:**
People want choice in their heating and cooking solutions, both out of principle / as a perceived 'democratic right', and because it allows them to choose the solution that best works for their household and home. Choice becomes important particularly when things are unfamiliar, and understanding is limited.
- 02 The word 'ban' or 'mandated' in public communication will trigger an emotional reaction:**
Many people had a strong negative emotional reaction to the word 'ban' as it felt like the government would be denying them choice in the matter. This was aggravated by the perception that the public would have to 'foot the bill' for something that has been mandated. Instead, participants were keen to be presented with a set of options which allow for a level of autonomy in the process.
- 03 Subsidies and grants hold strong sway:**
Cost is a widespread concern and many participants wanted guarantees around how subsidies and grants would be provided. There is still scepticism around subsidies materialising so being clear with consumers is important. An attractive package of subsidies and grants would encourage many people to support a transition, although it is worth noting some will remain against the move, out of a more fundamental opposition.
- 04 Trust must be how decisions are made:**
It is important to learn more about what lies behind the scepticism in national and local government. When there is a lack of trust in politicians to make decisions - especially those decisions which drive fundamental changes to how people live - change will not happen. The lack of trust could be too big a barrier to overcome particularly regarding future heating solutions. How people are engaged in the decision-making process is crucial to its success. Many participants voice hesitations around the involvement of the general public, fearing another divisive 'Brexit-like' vote, and concerned about impacts of misinformation. A lack of trust in how decisions will be made and by whom hampers enthusiasm for the transition.

05 Choice can be more important – but also more complex – for those living in vulnerable situations:

This appeared to be especially true for people with physical disabilities, cognitive impairments, and the elderly. These audiences, and in some cases their carers, had greater fear about the impacts of a 'bad' transition, lower confidence in being able to navigate a choice-based process, and greater scepticism that decisions would be forced upon them without their informed consent. Care must be taken both to understand the unique challenges faced by audiences living with vulnerabilities prior to transition decisions being made, and to support them through any transition process.

06 People want certainty:

People want more certainty. Providing concrete plans and timelines for the public is important as well as information about why change is needed. Ambiguity discourages engagement and leads to concerns that some people may go through 'unnecessary' personal disruption and cost, only for plans to change or for others to have different options available to them. Overall consumers do not understand that domestic heating contributes to carbon emissions.



Introduction



How we decarbonise home heating continues to be an emotive topic.

How we achieve this will require us to understand the wants and needs of consumers, setting out a positive case for change they can respond to. We can learn from the reaction towards proposals initially made during the term of the previous government, who set out an ambition to phase out the installation of new and replacement gas boilers by 2035. Under these proposals, to heat homes and in some cases conduct other activities such as cooking, people would be required to adopt alternative, low-carbon, solutions to the use of natural gas.

To deliver Net Zero ambitions, the use of natural gas in the home must largely end by 2050. This suggests that at some point we are likely to need to return to the question of choice versus compulsion, regardless of the low carbon technology pathways we choose to decarbonise homes.

It is in this context that Cadent commissioned research to explore the implications of a natural gas boiler ban, and to assess the general public's view of the role that choice should play in future domestic heating solutions. It sought to understand how aware individuals are of the implications of any natural gas boiler ban, to what extent they believe any such a ban would affect their lives, and the degree to which they feel different audiences should be involved in decision-making. Our aim was to better understand the role of choice as a way to inform future policy decisions.

To gain this understanding, Savanta conducted 4 full-day deliberative in-person workshops with a broad range of UK adults, as well as one online focus group with people who live in homes not connected to a gas supply ('off-grid').*

During the sessions, participants were provided with information to help them understand the policy landscape, their responses to different scenarios were gathered, and discussions were held around how much choice they wanted in future domestic heating solutions.

Our findings are set out below.



01

Let me choose – one size does not fit all.

During the research, three possible future scenarios for home heating and cooking were shared with participants. These scenarios involved varying levels of choice:

- 1. The default replacement of all natural gas boilers with hydrogen gas boilers.**
In this scenario, the general public would need to replace their natural gas boiler with a hydrogen-ready boiler, aided by government support / subsidies. Just like today, in this situation, people can also choose to change to electricity at any time, but this would be entirely at their personal cost. Whereas the government would be moving all properties to hydrogen through a financially-supported scheme.
- 2. Transition to electricity only.**
In this scenario, households would need to adopt electric solutions as the natural gas supply would be entirely stopped. The gas network would be decommissioned. New solutions may include heat pumps and electric hobs. Just like in option 1, this move to electric heating would include a financially-supported scheme.
- 3. A choice: households can choose either electricity or hydrogen, with the adoption of either financially supported by the government.**
Natural gas would be stopped, and the gas supply changed to hydrogen, which homeowners could choose to use, or could choose to switch to electric solutions.

Importantly it was noted that the level of financial support is not currently known, and that the financial support available in a non-choice scenario may be greater than in a choice-scenario.

When presented with these scenarios, participants were observed to 'group together' into four mindsets.

People framed them in the following terms:



Do it to me

I'm okay with the government deciding how my home is heated. As long as it works, the specifics don't concern me.



Do it *with* me

I prefer to be involved and choose from a set of options when it comes to heating my home, balancing expert advice with my preferences. Given my level of involvement in the choice, I am aware that I may have to pay for some if not all of the change.



Do it *for* me

I'm comfortable letting experts handle the choices for the way my home is heated, especially if I am provided with financial support to make any changes. By the government deciding, I avoid the stress of decision-making.



Do it *myself*

I want to independently research and decide on the best heating solution for my home, without outside influence. Given the fact that I have absolute control, I am happy with paying for the change.

A majority of participants expressed a preference for the 'do it with me' approach – aligned to scenario 3 – indicating a desire for autonomy combined with support. They wanted the freedom to choose the best solution for their individual needs and circumstances.

For this group of people, the number of options presented to consumers also plays a role in their perception of choice. A single option is often seen as no choice at all, two options can feel like an ultimatum, while three options are more likely to be perceived as a genuine choice.

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If I'm presented with more options, it doesn't feel like the government is making me go for one choice, it feels a bit more open. We're not being herded that direction.



Whilst the majority fell into the category of wanting personal choice, the motivations behind this varied:

Principle:

Some individuals wanted choice as a matter of 'principle'. People often associated this principle with a perceived 'democratic right' that came with living in the United Kingdom.

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Hearing these discussions around government mandating policy on this, I just keep pinching myself and thinking 'am I living in the UK?'. Everything is being dictated to us.

My home, my choice:

Some participants wanted choice due to it being about 'my home'. They felt that because they owned their home, something that would involve disruption to this should be something they have a say in. It is worth noting that participants who were privately renting had limited expectations around having a say in how their homes would be heated and believed this was primarily the responsibility of landlord.

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There has to be more consultation on this aspect [what solutions people get]. Everyone has to heat their home, this will impact every person. Thinking about how this compares to the petrol and diesel car ban, it's different. Not everybody has to have a car, but everybody has to heat their home.”

I know what I need:

Finally, some wanted choice because they wanted to find a solution that was most suited to their specific situation. This was particularly the case for people who lived in older houses, 'off-grid', or in remote areas. Some of these people felt certain options might not even be viable for their properties, whilst others felt that – whilst in theory they would be viable – the impacts on their property and subsequent performance of the solutions may not be acceptable.

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I'd like to see research and evidence. So something like, 'here's a property like yours, and how it works there'. Then you can make a decision that's best for you

Whilst most wanted choice, it is worth knowing that some participants did fall into the other categories as well. Those who aligned with 'do it to me' were typically very busy and more affluent people who had limited concerns about financial impacts, and simply wanted a solution that worked with minimal fuss. Those who aligned to 'do it for me' were typically people who identify themselves as generally finding choices overwhelming. Not many people aligned into 'the do it myself' category, with those who did being individuals who were already significantly engaged in the area and felt like they had a high level of personal knowledge

Overall, for rolling out future policy in this area, it is important to be aware that 'dictated' plans, especially if only supported by broad statements, may receive strong negative reactions. People will ideally want a level of personal choice, and if this is not available they will at least want to be provided with 'personalised' evidence demonstrating how the solution is right not just for the country overall, but for their home in their location.



02

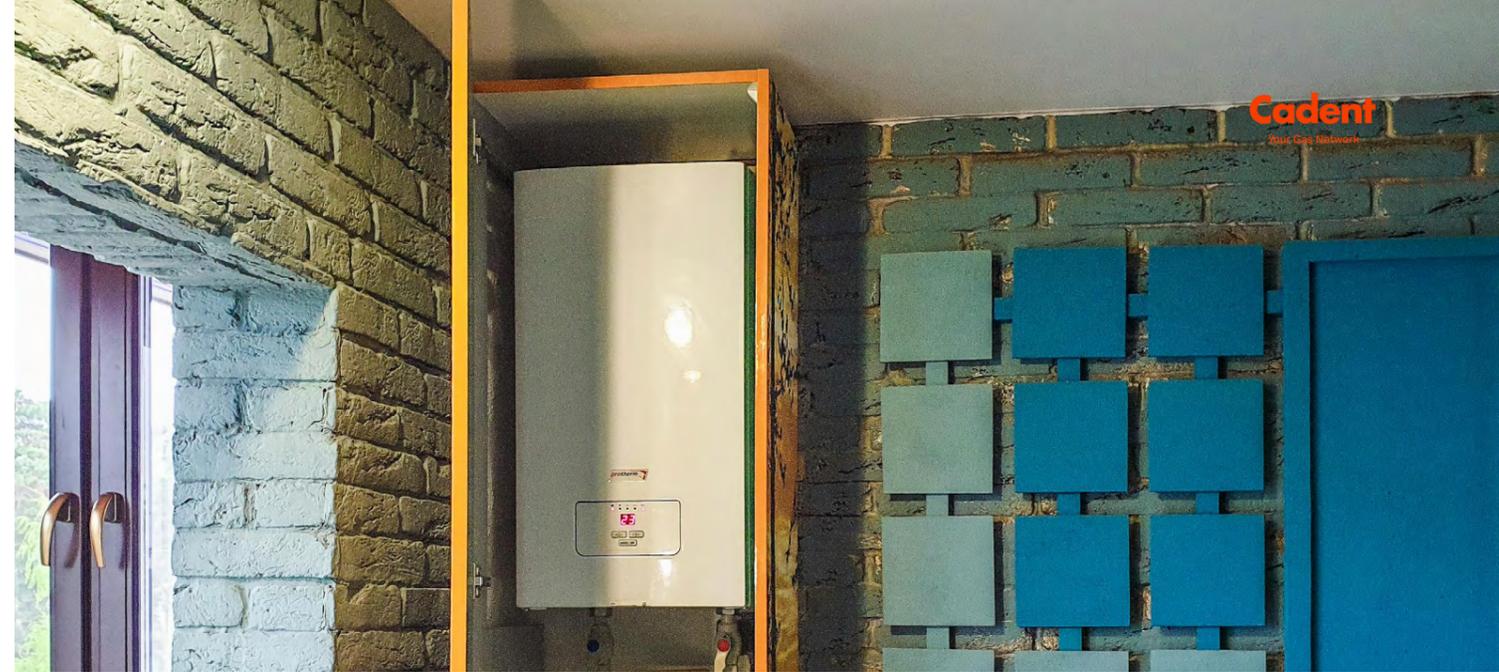
Beware the word ‘ban’ with regards to natural gas boilers

The way in which future policy around home heating solutions is communicated will be central to how the general public respond. Participants were introduced to the idea natural gas boiler installations could be banned in the UK and informed that natural gas boilers would not be fitted in new build homes in the near future.

When described as a ‘ban’ of natural gas boilers, many participants responded emotionally negatively, feeling like something was being forcibly done to them against their will. Many participants described how this caused them to feel defensive rather than inquisitive.

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The government’s forcing the decision, we’re over a barrel!



Participants were more comfortable with phrases such as the ‘phasing out’ of natural gas boilers. This was described as feeling less abrupt, with an opportunity to prepare for the change and become comfortable with what it means for them.

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The real issue here is lack of communication. They’re making statements like banning gas boilers after 2035. Making these types of statements is jumping the gun and creating anxiety. I might feel differently if they communicated it in a less sudden way.

The idea of a ‘ban’ was particularly emotive as (i) participants generally were very happy with their current solutions, and (ii) they felt like they were likely to have to pay for something they had not chosen. This aligns to the emotionally-charged theory of ‘loss aversion’, whereby losing something you already have (be that a working solution or money), is more emotionally impactful than the potential of future gains (such as a solution that works just as well, potentially cheaper).

It is therefore vital that any policy decisions consider both the exact terminology that is used, and how to counter perceptions of ‘loss’. Strong direction is required in this respect to support people to navigate such a steep learning curve and possible dramatic change to their homes and communities.

03

Subsidies and grants hold strong sway

It is widely understood and accepted that new solutions require capital injections.

As a starting point, participants were presented with some baseline cost information:

- **Hydrogen boilers:** Estimated to be in the range of £2,300 to £3,800 to install, approximately £100 to £500 more expensive to install than a natural gas boiler.
- **Heat pumps:** Noted that cost can vary significantly based on home size, system type, and installation complexity. Total costs are estimated to range from £6,800 to £17,700, with an average cost of £13,000, around £10,000 more expensive than a natural gas boiler. Currently, grants of up to £7,500 are available for qualifying installs.

It was noted that the costs of these solutions could reduce in-line with mass production, and that further costs and subsidies may be provided to help households, but that the size of these and any qualifying criteria were currently unknown.

Unsurprisingly, concern over cost was a recurring theme. The potential financial burden of transitioning to a new heating system was seen as a significant barrier for many households. Subsidies and grants can alleviate these concerns, but participants were concerned whether or not these would be sufficient in value and easily available.

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I think if the choice has been forced upon us, the numbers matter the most... Our generation is going to have to bear the brunt of it - why not introduce it at little to no cost for most people? In the end, we're having to absorb this change.

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Everybody is trying to make ends meet, everybody is trying to do their best for the climate, but we still have to live in the meantime. I'd like to get a house with solar panels and all that, but I don't think I'd be able to afford that in my lifetime.

Concerns about cost are significant enough that some participants were observed to be willing to change their 'choice mindset', based on subsidies and grants available. For example, someone who initially aligns the 'do it with me' approach, may switch to 'do it for me' if financial incentives are appealing enough.

However, it's important to note that there will always be sceptics who are unconvinced about new low-carbon heating appliances. These individuals are less likely to be influenced by financial incentives and will want to retain choice regardless.

Going forwards, should an energy transition be mandated, it is highly advisable that comprehensive information on subsidies and grants is provided from day one of the announcement, such that more people will be comfortable with the 'do it for me' approach.



04

Trust must be built in how decisions will be made

Information was openly shared with participants regarding both the potential cost implications of new solutions, and how the new solutions would operate, including any changes needed to the home.

In conversation, it quickly became apparent that different people held different views, some on them very strongly. Whilst discussions were respectful, there were numerous points at which participants disagreed on everything from the importance of addressing climate change, to the efficacy of different solutions, and what people should be willing to 'accept'.

Whilst many people held strong scepticism about the government making decisions around transition, they became more nervous and voiced hesitations around decision-making processes involving the general public, such as a vote or consultation. People were fearful that this was putting a decision concerning their homes in the hands of potentially ill-informed or misled individuals. Points raised included:

- Perceived misinformation could ill-inform the public's decision. This could be spread by parties with extreme views, financial interests in certain solutions, or malicious intents. With potential lack of evidence and uncertainty, it was observed in the discussion groups, people sought guidance from self-appointed leaders claiming to have specific knowledge or expertise.
- The potential to end up with inequitable solutions that worked only for specific parts of the population (e.g. affluent, urban households), not taking into account the needs of different people.



In addition, when discussing community-oriented decision-making processes, multiple participants spontaneously raised Brexit as an example of community decision-making had led to the division and the breakdown of communities.

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It reminds me of Brexit where there was so much misinformation spread... I am worried the same would happen here and people vote based on incorrect information.

This is not to say that community decision-making cannot play a role, but rather that the parameters for how this would work need to be closely defined and managed. In particular:

- What is in scope for community decision-making - to decide on big issues such as decarbonisation pathways, or something more granular. Generally speaking, people were much more comfortable with community decision-making being used for more granular decisions (e.g. the type of heat pump).
- At what level this would take place at – is it national, regional, local authority-based or more localised, such as blocks of flats? Generally speaking, people preferred more local decision-making as they felt this would be more likely to lead to the right decisions for ‘them’, but not so local that it would pit a small community against itself.
- The mechanisms underpinning a decision and how all people’s voices would be heard, whether that be via a citizens’ jury, a vote or another form.

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I understand that these decisions are bigger than me, and may need to be made on the basis of what works for the local area, infrastructure etc. But equally, this is something that will directly impact me so I need to know my voice will be heard.

It is worth noting that district heating was not explored as part of the research – this is a scenario that may lend itself more favourably to community decision-making.

Overall, it is worth noting that the decision-making process itself is likely to be contentious, regardless of the decision reached. People fear that misinformation will be rife, with personal interests driving bias. When asked who they do trust, several participants referenced charities and consumer advocacy groups. It is therefore worth considering the role that such organisations could play in disseminating information and facilitating decision-making.

05

Choice can be more important – but also more complex – for those living in vulnerable situations

As we move towards lower carbon technologies, it is crucial to ensure that the process is inclusive, especially for those living in vulnerable situations. The considerations for inclusivity are multifaceted and require a nuanced approach.

For individuals in vulnerable situations, such as the elderly, those with physical disabilities or those with cognitive impairments, the prospect of navigating the transition to a new heating system can be daunting. Concerns range from the mental health impact of absorbing new information and adapting to a new system, to the practical disruptions that installation may cause. The impact on those in (and at risk of entering) fuel poverty is also a significant concern, as the costs associated with new heating technologies could disproportionately affect those on low incomes.

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[People living in vulnerable situations] already feel unseen and unheard. If this were to be introduced, a complex process to navigate, it could easily impact people’s physical and mental health.

Whilst information and education are recognised as key to empowering all individuals to make informed decisions, the delivery of this information must be sensitive to a diverse set of needs, ensuring that it does not apply undue pressure or coercion. Support mechanisms should be in place to guide these individuals through the decision-making process.

For carers making decisions on behalf of people in vulnerable situations, the pressure to choose the right option can feel particularly overwhelming. A wrong decision could have a profound impact on the comfort and well-being of their loved ones. This highlights the further need for clear guidance and support for caregivers.

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If we make the wrong decision then [the people we care for have] lost their choice completely and their daily lives may be completely disrupted. It’s a lot of pressure.

Additionally, the practical aspects of switching to a new heating system, such as potential loss of power during installation, can be a particular concern for those living in vulnerable situations.

Gas distribution networks, and other utilities companies, already provide a range of services to people in vulnerable situations, especially those on The Priority Services Register (PSR). However, it is vital to recognise that the PSR is vast and contains people living in a wide variety of situations classified as vulnerable. Many of these people may be relatively unaffected by a heating transition, whilst others may be severely affected.

Our research has particularly highlighted the potential negative impacts that choice and change scenarios can have on people with cognitive impairments and on carers. More research is required though to understand which audiences will be most impacted by different aspects of the energy transition, and how they may be best supported.

For example:



Usage

Which types of vulnerability are likely to be most affected by adopting a new solution in terms of usability, safety, and comfort?



Support

Who do people living in different vulnerable situations rely on for information and support, and how can these support networks be facilitated and strengthened when navigating choices for heating homes?



Unintended consequences

What are the potential social and economic effects of changing to a new heating solution, and how might this intensify challenges or expose more people to vulnerable situations?



Practicalities

What considerations need to be taken with regards to the practical transition process for people in vulnerable situations to minimize disruption discomfort?



06

People want more certainty

Climate change and net zero are complex topics. Many people find them difficult to understand. This is further compounded by a feeling of a lack of clarity and understanding about the national strategy for addressing them.

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[What's the plan with] other polluting industries, like lorries and industrial plants? What's the plan with them? They're trying to push the plan on us, but nobody really says what will happen to all the rest.

There is low awareness of the impact that home heating and cooking has on national emissions, and a desire to understand what changes businesses are being held to on net zero efforts, in addition to households.

Furthermore, there is a widespread sense that even when plans are made, these are often not stuck to. Many participants referenced the cancelling, delaying or 'watering down' of environmental targets, and political 'backtracking' on pledges.

As such, there is a lack of trust that a 'plan is a plan' or a 'ban is a ban'. And if you're not confident something is real and going to happen – why invest and engage in it? There is a real concern that certain people may be 'forced to make sacrifices', only for plans to change.

In short, to obtain buy-in, people want confidence that they're not going to be wasting their time. That the plan is going to stay the plan.

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It's all well and good saying the government are going to pay for certain things, but we all know that doesn't always pan out.

Recommendations

Overall, it is clear that what remains paramount is that consumers want choice in how their homes continue to be heated. The removal of choice could threaten buy-in of the public into Net Zero targets and cause delays.

Based on the research findings, this report makes seven recommendations for consideration in policy decisions. Note that these recommendations are based solely on consumer attitudes, and should be considered alongside industrial and environmental considerations:



- 1 Ideally households would have a personal choice on which solution they adopt...
- 2 ...or if they don't, subsidies and grants should be clear and committed to from the initial announcement.
- 3 Talk about a 'phasing out' rather than a 'ban' with regards to natural gas boilers.
- 4 Clearly detail how decisions will be made, and avoid situations where the public must decide on an ultimatum.
- 5 Engage with trusted and independent organisations, such as charities or consumer advocacy groups, in the dissemination of information and education.
- 6 Conduct in-depth research with customers living in a wide breadth of vulnerable situations to map-out how to support them on everything from making decisions to operating new technologies.
- 7 Fully commit to the plan and, so far as possible, eliminate possible routes for the plan to be meaningfully changed or delayed at a later date.

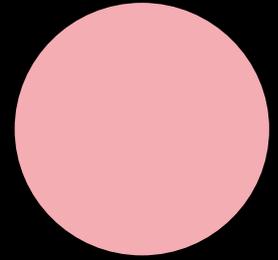
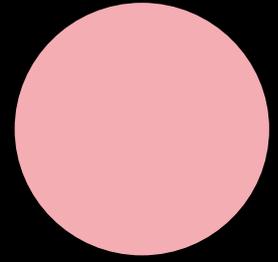
Methodology

These findings were produced based on four in-person deliberative workshops, each lasting six hours. Workshops took place in London, Cambridge, Edinburgh and Manchester. All attendees of in-person workshops were current natural gas customers. One additional workshop took place online with geographically-dispersed 'off-grid' customers who did not have natural gas connections. Fieldwork was conducted from 26th February 2024 until 8th March 2024.

Each workshop consisted of 12 participants with a spread of age, ethnicity, income and housing situation. For the in-person groups, a spread of urban, suburban and rural participants was achieved. In total, 60 members of the British public participated.

A deliberative approach was adopted such that information could be shared with participants over the course of the sessions to enable informed debate, designed to condense the typical 'learning process' that members of the public may go through.





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