



Taking Action on Rural Poverty

Test of Change: supporting people living on low incomes to benefit from renewable energy

Case study

Poverty Alliance and ALIenergy are working together to learn about how people on low incomes can be protected as Scotland transitions to renewable heating to tackle climate change. Our project is developing better information and resources to help people in rural areas make energy savings through retrofit and green energy installation.

ALlenergy shared this example of how their <u>Affordable Warmth Advisors</u> are working with social tenants with recently installed renewable heat sources, to get the most out of their new systems.

Agnes approached ALIenergy during an outreach session at her local Warm Hub to ask for help with her Air Source Heat Pump. She rents her home from a housing association and the pump had been fitted five years previously but Agnes wasn't sure how to use the controls.

When she moved in, Agnes's home had relied on expensive electric storage heaters. In 2020 the building was retrofitted with insultation and an Air Source Heat Pump for heating and hot water. Last year, Photo Voltaic panels (also known as solar panels) were also put on the roof. As well as supporting lower-income households to feel the benefit of a warm house and reduce their fuel bills, the project also aims to reduce carbon emissions, helping to tackle climate change.

The retrofit meant Agnes need to update to a smart meter. When ALlenergy's advisor visited her at home to explain how the heat pump worked and to guide her through how to use the control settings, she explained that it was on a Pay as You Go setting and this was a source of worry for her. Agnes is elderly and doesn't use the internet. She was concerned she wouldn't always be able to get to the shop to top up the meter. She had requested to move to Direct Debit when she took the property on, but the energy supplier and the housing association had both advised that it wasn't possible. Being hard of hearing made communicating with the electricity supplier difficult, so she persevered in topping up £40 every week.

ALIenergy's Affordable Warmth Advisor explained that the storage heaters Agnes previously had would have been on a restricted meter. This can create challenges in switching tariff, but the advisor was able to reassure Agnes that the payment method could in fact be changed, and helped her navigate this.

Agnes wasn't aware that she could also receive money from the electricity company for exporting excess electricity produced by the solar panels that wasn't used directly in the home,

through the Smart Export Guarantee initiative. The information Agnes had received during the installation didn't make it sound worth doing and she didn't know what the process would be to look into it further. ALlenergy's advisor was able to gather all of the relevant paperwork from the housing association for the solar panel system, and liaise with the electricity supplier and the electricity network to get Agnes linked up. Since April 2025 she's been able to claim 12p for every kWh exported, and this will be credited to her energy account. It's estimated that this will add up to about £200 in the first year, creating a financial buffer for her in the winter, when her heating will be on more and the solar panels will be generating less electricity.

When people change from storage heating to a heat pump their tariff will need changed too. ALlenergy's advisors support clients to navigate this change –and select the best tariff to minimise their bills. When the advisor spoke to the electricity supplier on Agnes's behalf, they discovered that she was still connected to her old Radio TeleSwitch (RTS) meter, along with the standard rate meter the heat pump was wired into. The electricity supplier wasn't aware that the storage heaters had been taken out when the heat pump was fitted back in 2020, and the RTS meter removed when the smart meter was installed. Even when this became clear, the customer services team didn't have the authority to make all the changes needed. As a result Agnes was being charged two rates. She also couldn't switch to some of the cheaper tariffs as these aren't compatible with the RTS meter.

This complex situation was far beyond most customers' understanding of the tariff system, so Agnes wasn't aware that this was a problem that needed fixing. ALlenergy's advisor was able to contact a specialist team who eventually got her on the correct tariff, a single meter, with payment by direct debit. Her direct debit is set at £104, saving her around £60 a month. And the single rate smart meter means Agnes can switch energy provider easily if she wishes to in the future.

"I'm feeling more secure now, I hated worrying about running out of electricity"

Unfortunately this wasn't the end of the story. With the change from Pay As You Go to Direct Debit, the electricity supplier made a request for £2,000 in unpaid use. This was another stressful and complex situation that Agnes would have struggled to navigate. It transpired the supplier's billing system had been using estimated readings from the old RTS meter, even though it wasn't connected to anything. Photos of the meter change in 2024 should have been added to her customer file, but they hadn't, so she couldn't prove when it had happened. ALlenergy's advisor was able to gather enough evidence to show the supplier that the RTS had not been used in the five years since the storage heaters had been removed. They also got hold of the installation certification from the housing association to prove when the heat pump had been installed.

Because Agnes wasn't aware of the error with the meter and tariff, she said she would have made efforts to pay the £2,000 false debt if ALIenergy hadn't investigated and been able to provide the evidence needed.

"Hearing about the debt was terrifying, I wouldn't have known what to do about it. I wouldn't have known it was anything to do with the heating being changed five years ago and the old meters, no one explained anything to me, they just fitted the heating and left"

After ALIenergy's intervention Agnes is now on the appropriate tariff and meter set up for her heating system, saving her both money and worry. An ongoing system error means the smart

meter can't submit the export readings for the excess energy she's feeding back to the grid, so the advisor is keeping in touch to ensure Agnes is able to submit them manually.

This complex case took four months to resolve with ALIenergy's Affordable Warmth Advisor visiting the client at home seven times as Agnes struggled to communicate over the phone. The value of this support is clear - without ALIenergy's input she would have paid a large, erroneous debt, and well as being charged over the odds for her energy due to being on the wrong tariff and meter. She would also be missing out on income from selling electricity back to the grid. What's much harder to quantify is the improvement in Agnes's quality of life. She feels happier and more comfortable about turning the thermostat up without worrying the meter is going to run out of money. Knowing that she is generating electricity and selling it back to the grid reduces her worry about extra winter costs. Agnes has said the heat pump is "marvellous" compared to storage heaters and she has the confidence to use the system properly now. And she knows that she is she can reach out to ALIenergy again if needed in future. To give Agnes the final word:

"Really really chuffed with what you've done. I couldn't have done any of this without you"

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