

STRAT7



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GD3 Research Programme – Phase X Research Panel Survey Political Influence task report

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June 21st 2024



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Awards 2019
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Background

Background



Objectives

In light of Prime Minister Rishi Sunak’s call for a general election, we want to generate understanding of

- Expectations for changes to the energy industry and Net Zero
- Desired priorities for the next government in relation to the energy industry
- Imagined impact of change in government on economic and environmental factors



Method

We invited participants to complete a 10 minute survey related expectations of energy policy post the July election, covering:

- The importance of financial and climate policies for the next government
- How they would want the next government and energy minister to prioritise economic and climate factors
- Their personal financial expectations in the coming year

Fieldwork ran from 28th May to 5th June 2024



Sample

75 participants participated:

- **48 Domestic Gas Customers:**
- **13 Future Energy Customers**
- **14 SMEs**
- **19 participants were in fuel poverty**

Note that fuel poverty was captured at recruitment phase (at the start of phase A), so things may have changed for some people previously unaffected, as the crisis has worsened for some over this time – thus we are seeing 29 people reported as 'significantly impacted' now

The criteria for fuel poor from the screener is slightly different to the question that we asked in the political survey, so it's not a true like for like comparison of those two questions

A methodological note on the interpretation of Research Panel results

The Phase X Research Panel was set up in October 2023 with 100 informed customers who had participated in SGN's Phase A Deliberative Research. These customers were informed on SGN's business, its customer base and possible priorities and initiatives for the next GD3 business plan.

Over the last year, new panellists have been recruited to replace any dropouts from the original panel, to maintain the Research Panel sample at ~100 panellists. All new panellists are similarly informed about SGN.

This Research Panel is designed to provide a longitudinal understanding on any new issues arising from the GD3 business plan.

Whilst this panel can provide meaningful guidance for SGN on its GD3 business plan from customers (and future customers) who are informed about SGN, it is not intended to be representative of SGN's entire customer base.

And due to the small sample size (<100), the percentages shown in this report should be taken as indicative of customers views and are not sufficient to provide robust data.





Findings

Summary of findings

1

For many, financial factors such as the economy and energy bills are still front of mind.

Many participants are still feeling the effects of inflation and the cost-of-living crisis and want the next government to prioritise steadying the economy and helping them manage their bills.

2

There is a desire for investment in environmental policies and solutions, but not at the expense of easing financial stresses.

Most customers were in favour of driving environmental and Net Zero initiatives forward and saw these as a necessary component of the next government’s aims. However, many emphasised the need to focus funds and efforts first and foremost toward easing the financial stresses on struggling populations. Further, some worried that environmental policies could add to – rather than mitigate – these financial stresses in the form of increased taxes or enforcement measures (i.e. paying to replace gas boilers with greener alternatives).

3

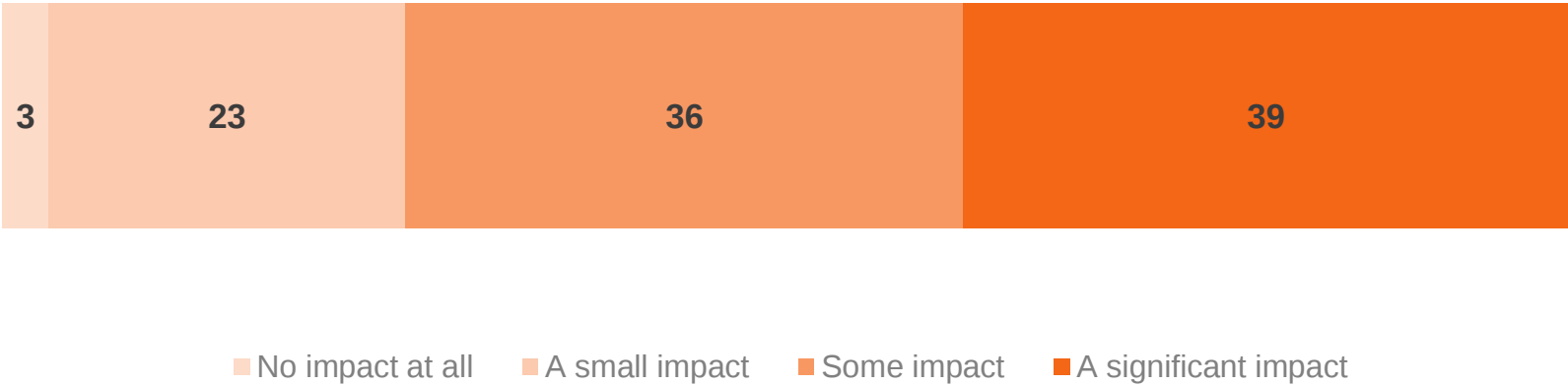
There is a low and cautious sense of optimism, though many think things will not change.

There is some optimism that a change in government, coupled with lowering inflation and covid recovery, could lead to both economic and environmental improvements. However, many participants foresee no tangible changes in any of these areas. These participants largely fall into two camps: those that believe the factors impacting the economy and environment are out of any government’s control, and those that demonstrate cynicism toward politicians and governments broadly.

The cost-of-living crisis continues to be felt by most, though the degree of severity can differ broadly

How much of an impact would you say the cost of living crisis is having on your day to day finances?

% selected

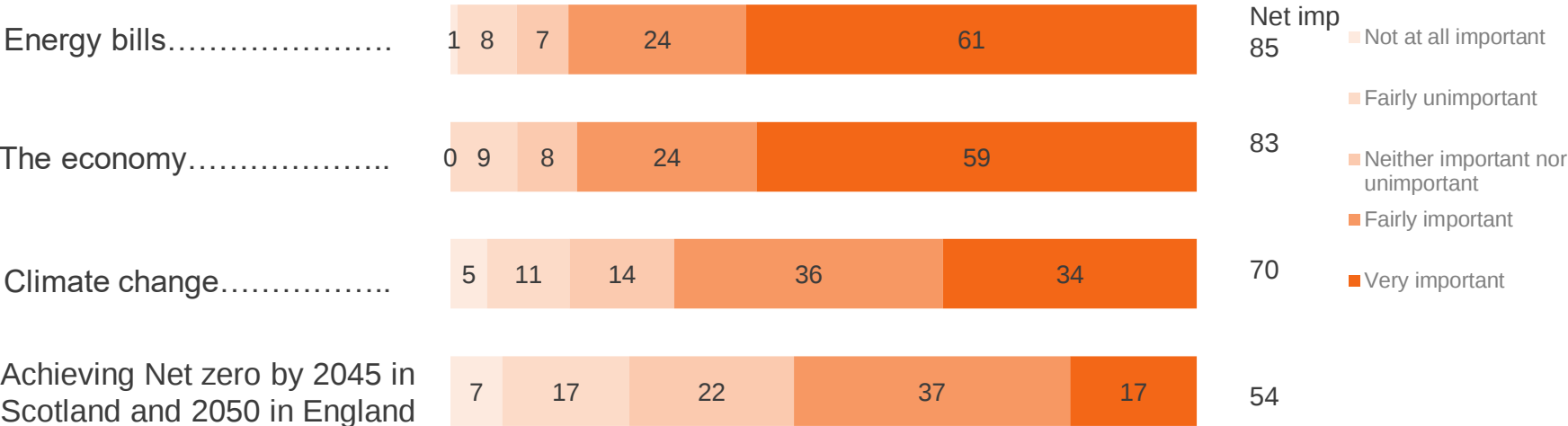


Q9 How much of an impact would you say the cost of living crisis is having on your day to day finances? Base: Total sample n= 75

Financial factors such as the economy and energy bills are of the highest importance, though environmental issues are also seen as significant

How important are the following to you...

% selected

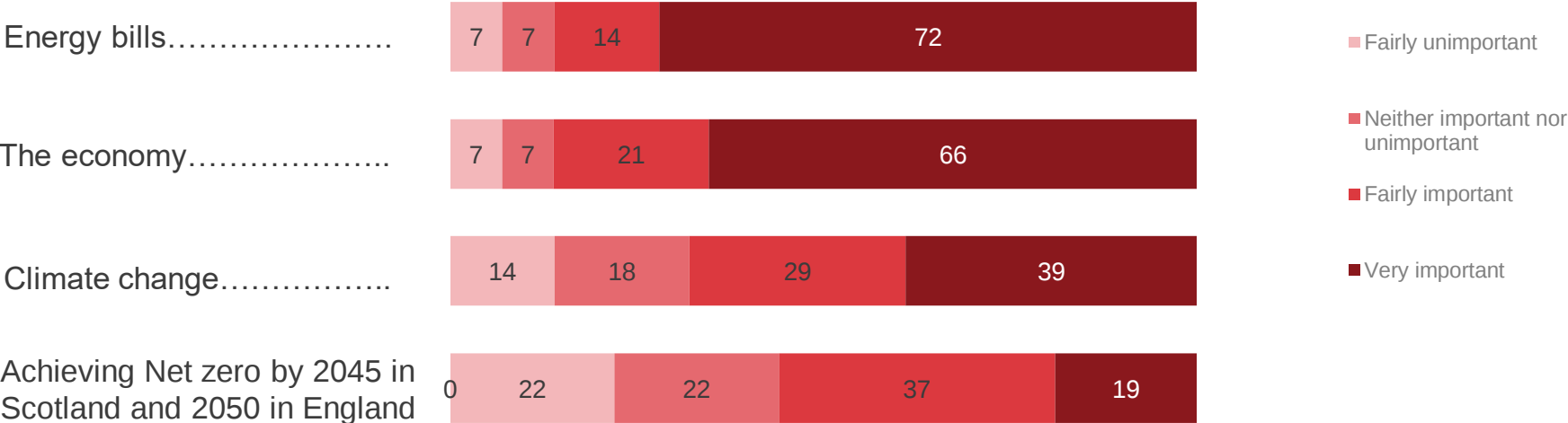


Q1 How important are the following to you... [The economy]; [Energy bills]; [Climate change]; [Achieving Net zero by 2045 in Scotland and 2050 in England] Base: Total sample n= 75

As expected, energy bills are the highest priority for those significantly affected by the cost of living crisis...

How important are the following to you...

% selected

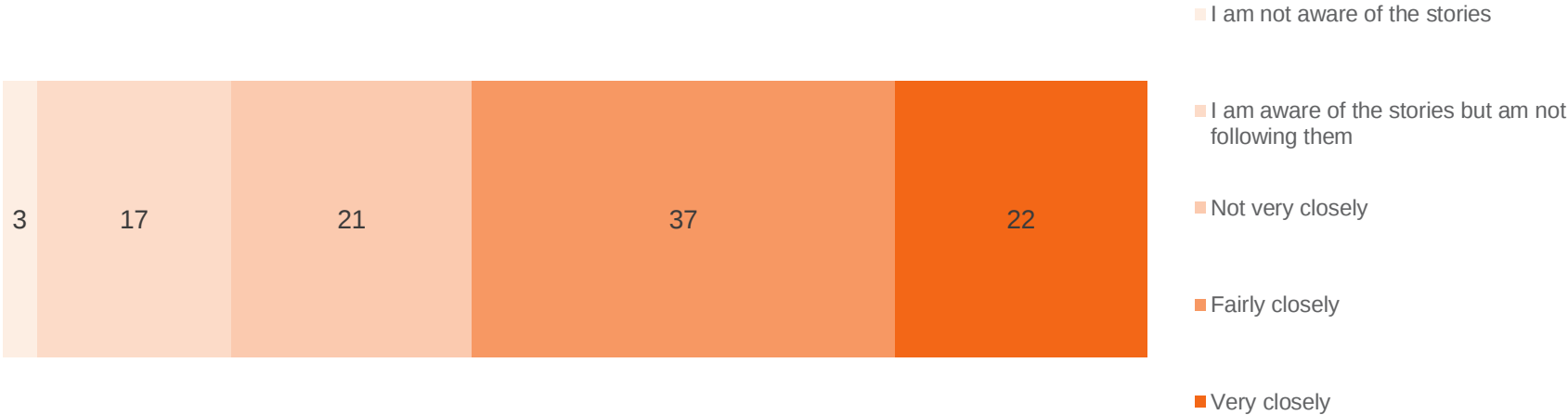


Q1 How important are the following to you... [The economy]; [Energy bills]; [Climate change]; [Achieving Net zero by 2045 in Scotland and 2050 in England] Base: All those who had seen 'significant impact' of cost of living crisis n=29
* LOW BASE (n<50) – note these are directional findings only

Most are following election coverage in the news to some degree, though the extent of the following can vary greatly

How closely are you following the general election coverage in the news?

% selected

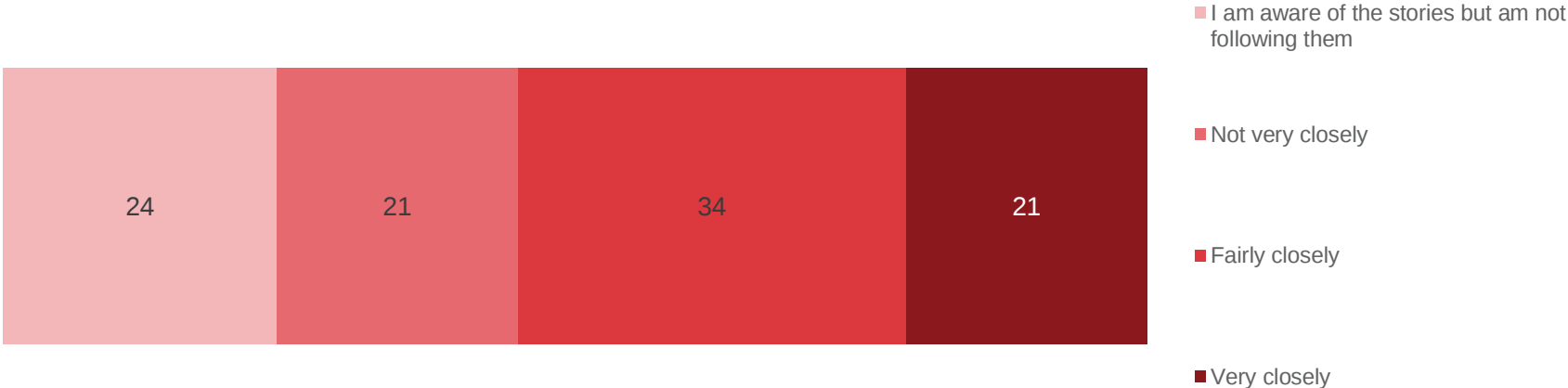


Q2 How closely are you following the general election coverage in the news? Base: Total sample n= 75

Although everyone in this group is aware of election coverage, they are following the stories a touch less closely

How closely are you following the general election coverage in the news?

% selected

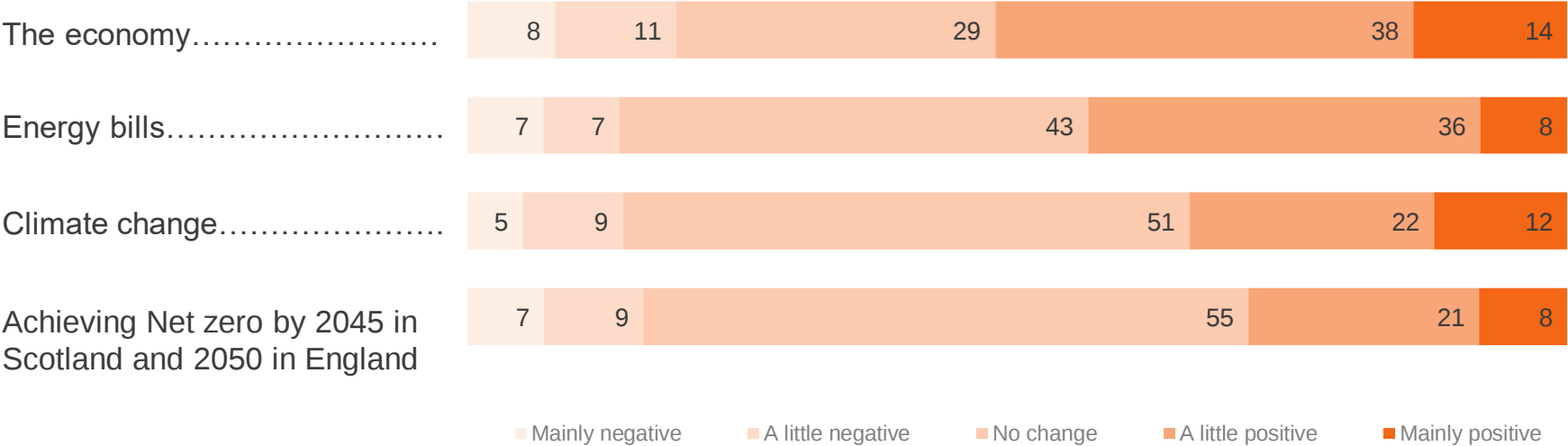


Q2 How closely are you following the general election coverage in the news? Base: All those who had seen 'significant impact' of cost of living crisis n=29 * LOW BASE (n<50) – note these are directional findings only

Most are between antipathetic and optimistic on Labour’s influence, with greater optimism in areas such as the economy and energy bills

If Labour came into power, what do you think their influence would be on...

% selected

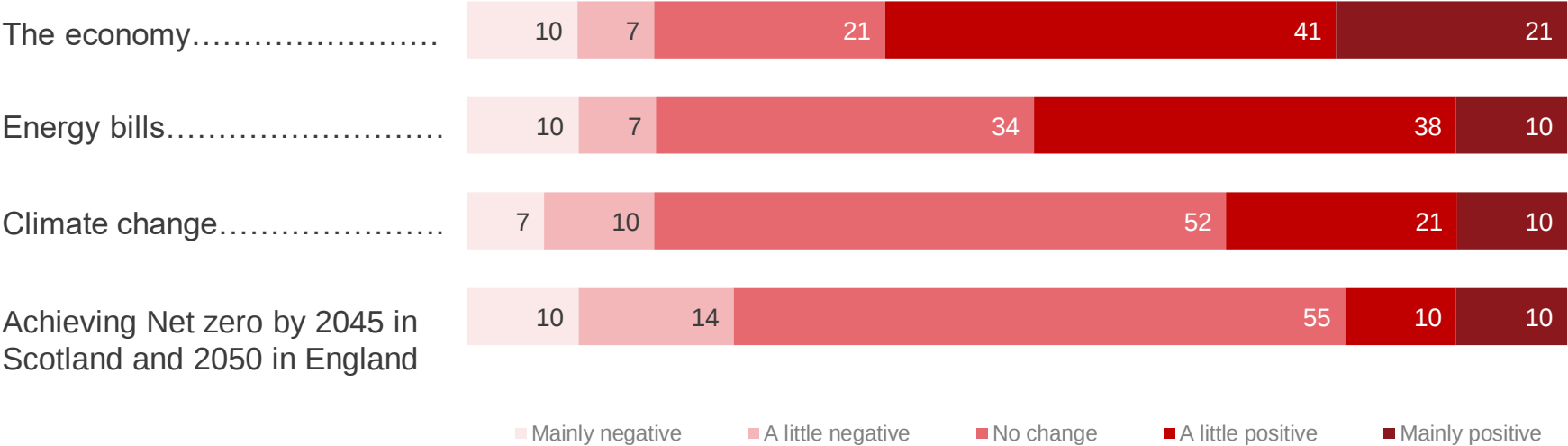


Q3 If Labour came into power, what do you think their influence would be on... [The economy]; [Energy bills]; [Climate change]; [Achieving Net zero by 2045 in Scotland and 2050 in England] Base: Total sample n= 75

Those impacted by higher costs expect that Labour would have a more positive influence on the economy and bills...

If Labour came into power, what do you think their influence would be on...

% selected



Q3 If Labour came into power, what do you think their influence would be on... [The economy]; [Energy bills]; [Climate change]; [Achieving Net zero by 2045 in Scotland and 2050 in England] Base: All those who had seen 'significant impact' of cost of living crisis n=29 * **LOW BASE (n=<50) – note these are directional findings only**

There is a sense that Labour will have to focus on the economy and rising prices before the environment, though some are pessimistic about both



Labour will have to focus on the economy

Many believe Labour will have to prioritise the economy and controlling energy bills. Though there is some mix of optimism / ambivalence / pessimism in their ability to bring bills down, there is a general belief that the economy will begin to fare better, whether due to labour’s policies or outside factors.



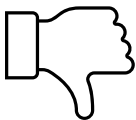
They may take steps toward Net Zero

There is some optimism that labour will focus more on environmental policies such as carbon reduction and Net Zero. However, some believe efforts and finances will have to be aimed more toward the economy and the NHS, leaving few resources and willpower to stick to energy goals.



Some don’t foresee any change...

A large cohort do not believe any significant changes will occur with the change of government. For some, this is because issues such as the economy and climate change are heavily influenced by factors outside government control, such as global conflict and overseas pollution. Others are broadly disenchanted by politicians and have low faith in any party leaders.



...or believe that Labour will be worse

A relatively small group believe labour will be worse on all issues, particularly economic issues. These participants cite erratic policy stances, party disorganisation, and an “all talk but no follow through” approach. These customers, however, seemed broadly untrusting of politicians and showed pessimism toward both political parties.

Q4 Tell us more about why you gave these ratings. What do you think might change and why? Base: Total sample n= 75

Verbatims



Labour will have to focus on the economy

Considering our economy and extortionate costs to goods, mortgages and services I believe that the main concern for the new party in power will be to settle the economy. (Domestic)

I feel that if Labour came into power this would potentially give the economy a boost and some needed stability as I think that the Conservatives have lost their grip on what they are doing with, the economy. (Domestic)

I feel Labour will have to focus on the economy first and foremost followed by the NHS and by the time they do these things, they're won't be a great deal of money left to focus on energy bills/climate change or achieving net zero (Domestic)



They may take steps toward Net Zero

I'd hope they would bring climate changes issues more into focus and spend more energy on these important issues (Future)

I think it remains to be seen how effective the setting up of the proposed 'Great British Energy' company will be and what impact that might have on energy bills. Climate Change will still feature as an important topic but I think reality is setting in that the targets set whether at Westminster or Edinburgh are unrealistic and unlikely to be met within the timescales given but no political party is honest enough to say this. (Domestic)

I think they will listen to scientists and advisors and invest more in tackling climate change. (Domestic)



Some don't foresee any change...

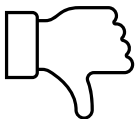
I really do not believe labour has got any magic wand or solid policy maker to make a change. (SME)

Everything I hear about Labour seems like it'll just be a continuation of what we have had from the Tories these past years. (Fuel Poverty, Domestic)

There is more global issues that affect energy bills and the economy than who is making the decisions in government. (SME)

Labour cannot change the damage over the last 12 years for many years (SME)

They are just as bad as each other I don't trust any of them (Domestic)



...or believe that Labour will be worse

The labour party right now in my eyes are a bit of a mess with no direction and with the first minister resigning they are not showing great strengths (Fuel Poverty, Domestic)

I think that the current Labour leader Keir Starmer is unable to act on Labour's values and better the economy that the Conservatives worsened, as well as act imminently and correctly on what needs to be done to help the environment and climate change, which in part will help us to achieve net zero. (Future)

Labour are all mouth and very little substance. They will have little money to make any substantial changes (Domestic)

Q4 Tell us more about why you gave these ratings. What do you think might change and why? Base: Total sample n= 75

Most customers are in favour of policies to mitigate climate change, such as hitting Net Zero goals

Would you support government policies to help us achieve net zero more quickly?

% selected



Q5 Would you support government policies to help us achieve net zero more quickly? Base: Total sample n= 75

Although marginal, net zero is a slightly lower priority for the significantly impacted group

Would you support government policies to help us achieve net zero more quickly?
% selected



Q5 Would you support government policies to help us achieve net zero more quickly? Base: Total sample n= 75 Base: All those who had seen 'significant impact' of cost of living crisis n=29 * LOW BASE (n=<50) – note these are directional findings only

Though most participants broadly support environmental policies, there is a feeling that climate policies should not be the next government's priority



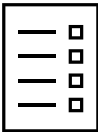
Most see Net Zero as necessary

The majority of participants are positive about a governmental shift toward more climate policies. For many participants, the climate crisis feels like an urgent and vitally important matter, with some citing fears about a future for their children.



The economy may still be priority number one

For some, climate change may seem like an important policy, but not at the discount of the economy and managing the cost of living. These participants are not entirely against climate policies, but do not believe these policies should be the priority of the next government. Instead, they want the focus to be entirely on managing economic turmoil.



Support will vary from policy to policy

Some participants were unsure of their support. This could be due to either ignorance of the specific policies that would be put in play, the impact of those policies on taxpayers, or a general cynicism and mistrust toward politicians. These participants were not entirely against climate policies but would require more convincing as to the impact (and follow-through) of the policies.



Some categorically against climate spend

A small proportion of respondents were entirely against the implementation of climate policies. For many, this is due to a sense that the UK would be alone in the world to take drastic steps and would suffer disproportionately for making sacrifices while other countries continued to emit at high levels. There are some, however, that are categorically against public spending on climate issues.

Q6 Please explain the reason for your answer to the above. Base: Total sample n= 75

Verbatims



Most see Net Zero as necessary

I believe it is our duty now to look to better our world and by achieving net zero this will be a step for a better, cleaner future for our generation to come. (Fuel Poverty, Domestic)

Yes I would support government policies to help achieve net zero more quickly. Climate change is a real issue and action does need to be taken/implemented sooner rather than later. (SME)

It's about caring for our world for the next generation I have 2 boys and want them to enjoy the world and have a safe environment to live in (Domestic)



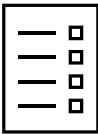
The economy may still be priority number one

I don't really know a whole lot about it but I'd rather they focused on getting the economy in a stable situation first as lots of people are struggling. (Domestic)

I'm currently more concerned by how I will get by and afford my bills, if net 0 does not impact my bottom line then I will support it (Domestic)

Costs!! They are too high as it is. There is no need to add anymore financial burden to a public that is struggling. (Domestic)

I believe for me there are other issues that are more important than Net zero. I know net zero is a huge issue however it's the changes now that I want to see (Fuel Poverty, Domestic)



Support will vary from policy to policy

It would depend entirely on what the policies were! (Domestic)

I can't say yes or no if I don't know what the policies will be (Domestic)

Yes I would as if they stuck to their word and were transparent, they would receive more backing (Fuel poverty, Domestic)

To me net zero targets are more about the direction of travel than the date. I don't think anything the government aims to do will make any difference except perhaps at the margin (Domestic)



Some categorically against climate spend

Why are we going mad for net zero when other countries are not even bothering with (Domestic)

Even if UK was to go net zero, globally this would make negligible difference due to size of UK and its population. It would cost more for general public to pay for electric car, solar pump. (Domestic)

if will make me pay more I would not support them (Fuel Poverty, Domestic)

Because they are costly and mean nothing in the scale of global activity They put UK people and economy at disadvantage (Domestic)

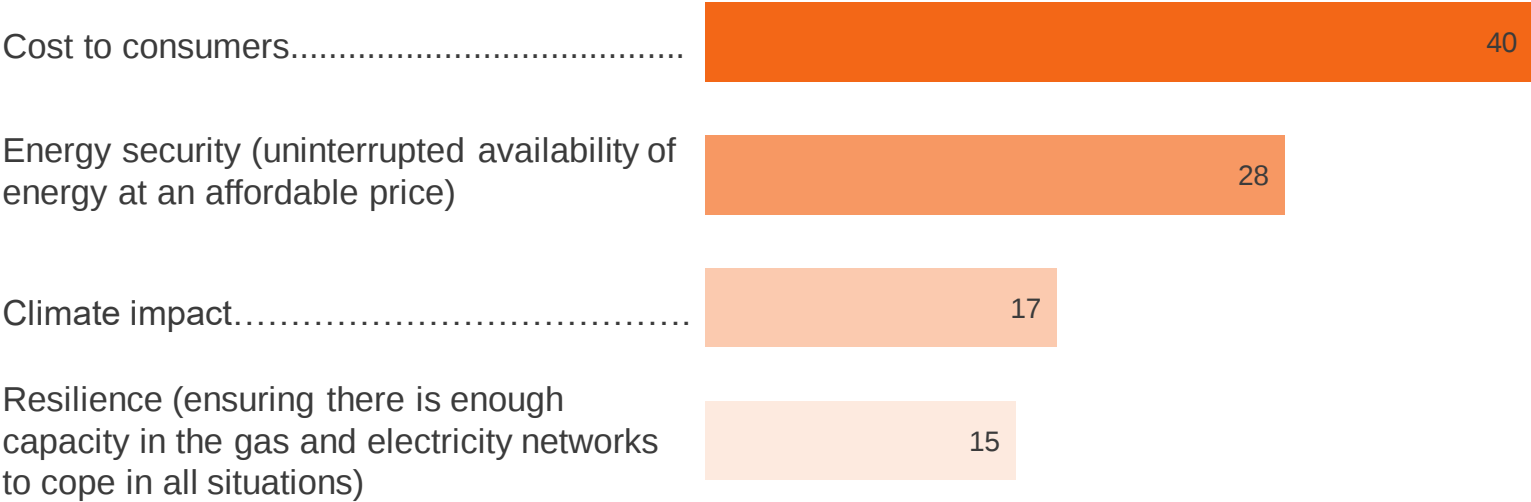
I do not believe the climate change LIE. Sorry! (Domestic)

Q6 Please explain the reason for your answer to the above. Base: Total sample n= 75

There is a sense that an affordable and easily accessible supply of gas should be prioritised by the next energy minister

What do you think should be the priorities of a new energy minister?

% selected

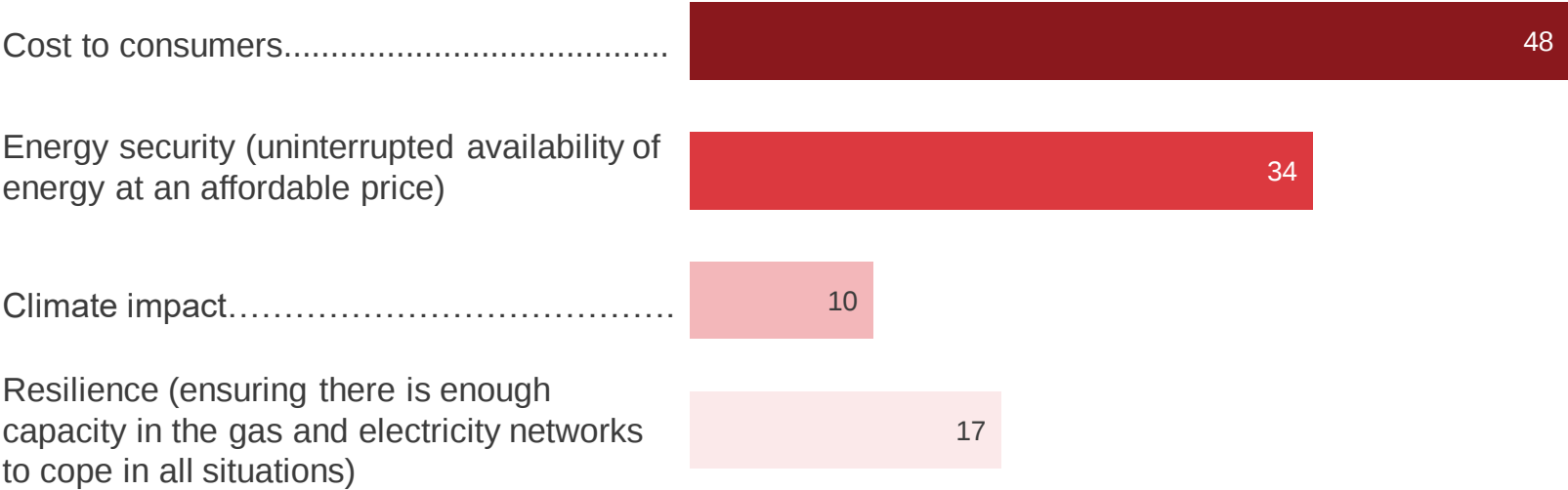


Q7 What do you think should be the priorities of a new energy minister? Base: Total sample n= 75

This group are cost sensitive, so consumer costs and energy security are crucial to them

What do you think should be the priorities of a new energy minister?

% selected

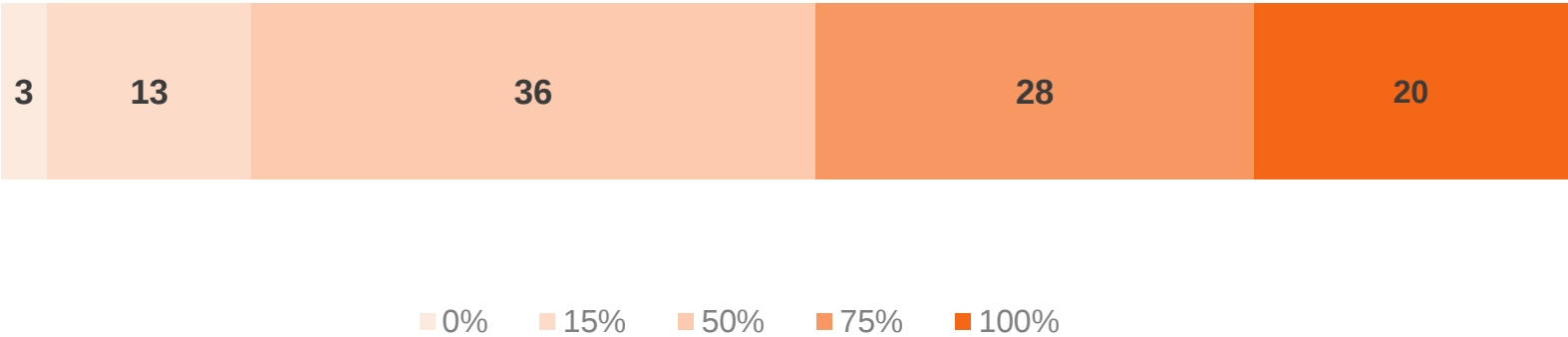


Q7 What do you think should be the priorities of a new energy minister? Base: All those who had seen 'significant impact' of cost of living crisis n=29 * LOW BASE (n=<50) – note these are directional findings only

Consumers believe the government should shoulder half – if not most – of the burden of low carbon energy equipment replacing current boilers

If you had to replace your boiler with a low carbon energy solution, how much of a contribution do you think the government should make towards the cost?

% selected

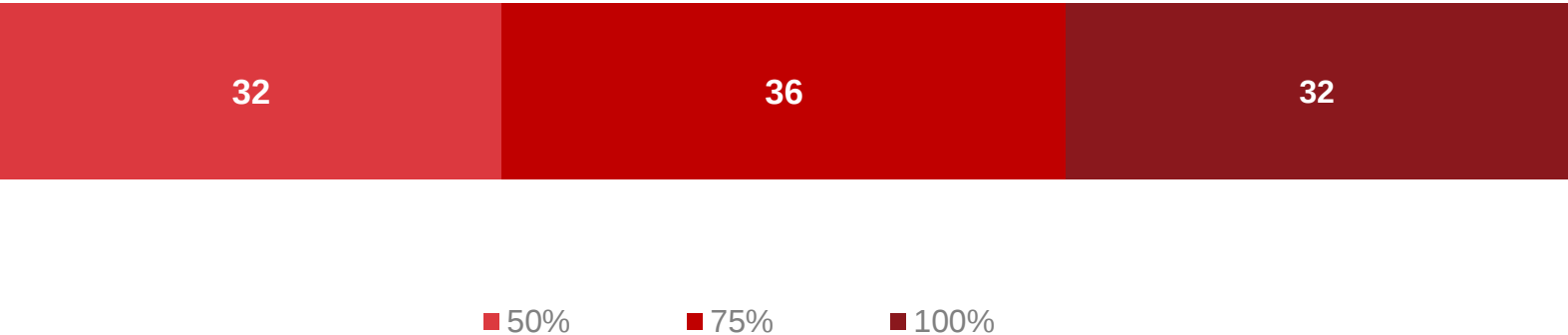


Q8 If you had to replace your boiler with a low carbon energy solution, how much of a contribution do you think the government should make towards the cost? Base: Total sample n= 75

Those financially impacted wanted more government contributions towards low carbon energy solutions

If you had to replace your boiler with a low carbon energy solution, how much of a contribution do you think the government should make towards the cost?

% selected



Q8 If you had to replace your boiler with a low carbon energy solution, how much of a contribution do you think the government should make towards the cost? Base: All those who had seen 'significant impact' of cost of living crisis n=29 * **LOW**
BASE (n=<50) – note these are directional findings only

Participants exhibit a cautious optimism toward to the future, though many foresee no change, and some expect worse to come

How do you imagine your household’s financial situation to be a year from now, in comparison to your present financial situation?

% selected

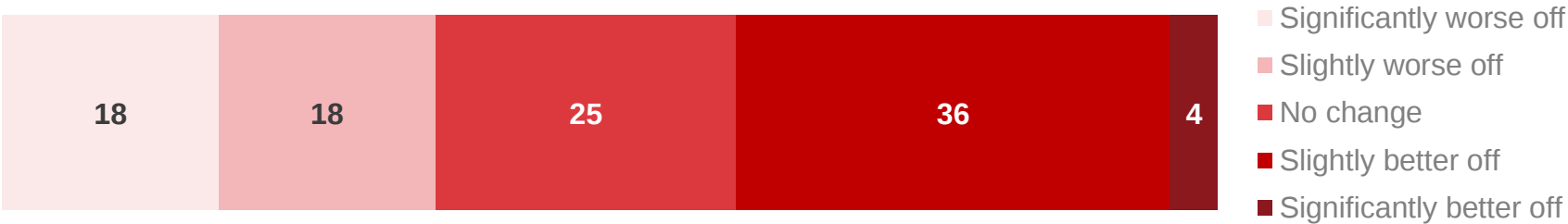


Q10 How do you imagine your household's financial situation to be a year from now, in comparison to your present financial situation? Base: Total sample n= 75

Although slight, significantly impacted customers are more likely than less impacted to feel worse off in the future

How do you imagine your household’s financial situation to be a year from now, in comparison to your present financial situation?

% selected



Q10 How do you imagine your household's financial situation to be a year from now, in comparison to your present financial situation? Base: All those who had seen 'significant impact' of cost of living crisis n=29 * LOW BASE (n=<50) – note these are directional findings only

Many believe the economy will likely improve, but it will take a long time for improvements to reach their wallets



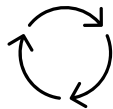
Some are confident things will improve

There is some confidence that the economy, and, subsequently, personal finances will improve within the next year. This is largely given a sense that the economy is already improving, inflation is decreasing, and the cost-of-living crisis is getting better.



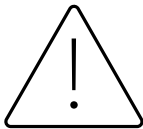
Others are cautiously optimistic

Some participants are optimistic, but very cautiously. Some of these are uncertain of any change or are of the opinion that “things can’t get worse,” and so they must get better. Some of this is inspired by the belief that Labour will come into power, though most do not credit any political party with likely improvements.



It may take several years to see change

Many participants do not foresee any difference in personal situation in a year. This is due to cynicism toward changing governments, a feeling that the current climate cannot be rapidly changed, and personal financial situations stagnating.



Current trends can inspire pessimism

There are some that believe their personal situation will get worse, largely owing to trends of price increases across bills, gas, mortgages, and many other private expenses. Several participants complained of wages not increasing with these bills and were sceptical that this current situation would change. For those eating away at their savings, this can feel like a worrisome decline.

Q11 Please explain the reason for your answer to the above. Base: Total sample n= 75

Verbatims



Some are confident things will improve

I think we just got through the high inflation rated generated by covid so i would expect some of the prices to start coming down. (Future)

The cost of living situation has to improve as this is causing poverty for all so it can't get any worse. The economy is getting better therefore cost of living should follow. (SME)

I think in general, the economy might be in a better place in a years time- reduced energy bills, reduced interest rates/ mortgages, inflation stable, food prices more stable etc I think there is still a long way to go, but I think it's moving in the right direction, and very slowly the economy will start to pick up. (SME)

Q11 Please explain the reason for your answer to the above. Base: Total sample n= 75

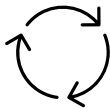


Others are cautiously optimistic

Hopefull that nothing will change if it does for the better not the worse (Domestic)

I'm hoping it's slightly better than it currently is and I feel it can't possibly get any worse than the last couple of years, between the cost of living crisis/energy costs and inflation it's just been a miserable few years and I'm hoping it gets better over the next year (Domestic)

I may be slightly better off if Labour do get into power and help working class people be better off. Hopefully I will have an increase in income and a reduction in costs (Fuel poverty, Domestic)



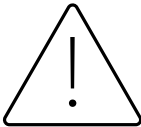
It may take several years to see change

My household income will remain the same so assuming inflation remains on target then I should be ok. I don't see major changes (positive or negative) to energy prices in the next 12 months (unless there is further conflict in Ukraine etc). (Domestic)

I don't imagine much will change in the next year (Domestic)

It will take years to change the current situation. (SME)

Food is definitely a major cost and I have just adjusted other spending with hardly any meals out etc to accommodate (SME)



Current trends can inspire pessimism

Cost of living is not going down. Personal example, car insurance going up from £300 to £500. Council tax up by 7%. I don't see things better anytime soon. (Domestic)

inflation is still happening and my wages aren't increasing (Domestic)

Despite giving allowances here and there from the government is not really made a big impact as the wages do not match the cost of living crisis. The amount i spend on shopping itself is almost doubled making it harder to save for the future. (Fuel Poverty, Domestic)

Any wage rise will be eroded by high inflation plus I have additional expenses coming up such as dentist, car insurance, my son's university and accommodation fees. (Domestic)

THANK YOU



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