



Consultation response

National Energy Action response to DESNZ's Smart Metering Policy Framework Post-2025

About National Energy Action

National Energy Action¹ works across England, Wales, and Northern Ireland to ensure that everyone in the UK² can afford to live in a warm and safe home. To achieve this, we aim to improve access to energy and debt advice, provide training, support energy efficiency policies, local projects and co-ordinate other related services which can help change lives.

Background to the response

NEA has a long-standing interest in smart meters and their rollout in Great Britain and Northern Ireland, particularly with regard to their impact on vulnerable consumers. NEA believes that smart metering has the potential to provide real benefits for vulnerable and low-income householders, but only if these individuals are effectively engaged and supported throughout their smart meter journey. NEA has carried out the following projects to inform and support the smart metering programme:

2013: Smart for All: Understanding Consumer Vulnerability During the Experience of Smart Meter Installation: NEA for DECC and Consumer Focus.

NEA's report for the UK Government examined consumer vulnerability during smart meter installation and provided recommendations. Phase two focused on support needs for vulnerable consumers to engage with smart meters. Fieldwork in March 2013 involved 33 participants from various regions, using qualitative methods like interviews and focus groups to gather insights.

2014: Developing an Extra Help Scheme for Vulnerable Smart Meters Customers: NEA for Citizens Advice.³

This research looked at how suppliers and other stakeholders can help vulnerable consumers through the smart meter change. The rich detail of this research aimed to help delivery partners shape their plans; answering questions such as how to define vulnerability, the importance of choice, and the role of different communication channels.

2015 – 2018: SMART-UP⁴

NEA's EU-funded study across five countries showed that tailored energy advice helps vulnerable households use smart meters and in-home displays effectively. Support increased engagement, understanding, and usage frequency. Post-intervention, households were more likely to check electricity usage, set budgets, and change energy habits, benefiting low-income households significantly.

2015 – 2018: Energywise⁵

NEA was a partner on the UK Power Networks-led project energywise; exploring how fuel poor customers can benefit from a smart meter and participate in energy saving and demand-side response opportunities. The project successfully installed 230 credit smart meters and 93 prepayment smart meters in the homes of 323 social housing tenants living in the deprived borough of Tower Hamlets in East London. In targeting this group, the project generated valuable learnings on how to engage and support energy consumers identified by previous research as vulnerable to realising benefits from their smart meter and in-home display. Specifically: low-income households, social housing tenants, prepayment meter consumers and those who do not speak English proficiently.

2016 – ongoing: Smart Energy GB in Communities

NEA and Energy Action Scotland lead Smart Energy GB's partnerships, engaging people in the smart meter rollout. They provide training, grants, and resources to support advisers and vulnerable households. Since 2016, they've trained 1,751 professionals and awarded 300 grants. NEA also advises the BEIS Consumer Reference Group (now known as the Consumer Forum), on smart meter challenges.

2024 – ongoing: NEA Smart Meter Symposium

NEA's inaugural Smart Meter Symposium discussed benefits and challenges of smart meters for low-income households. Key issues included loss of functionality when switching suppliers, poor installations, and manual readings. Emphasis was on post-install aftercare and clarifying accountability between suppliers and the DCC for connectivity issues. Clear jurisdictions were deemed essential.

Summary of our response

National Energy Action supports the continued ambition for universal smart meter coverage and welcomes the proposed 2030 end-date as a clear milestone for completing the rollout. While this ambition is not new, the shift away from the previous Targets Framework presents an opportunity to refocus delivery on equity and consumer outcomes. To succeed, the new framework must embed robust safeguards to ensure that the hardest-to-reach households are not left behind.

Our response is guided by the following priorities, which we believe must underpin the post-2025 smart metering framework if it is to deliver meaningful benefits for those most at risk of fuel poverty:

Equitable delivery and transparent progress monitoring

The post-2025 framework must set clear expectations for equitable delivery. The proposed "all reasonable steps" obligation must be precisely defined and robustly enforced. Without this, harder-to-reach groups, including those on prepayment, may be deprioritised. These households are often under-served by market-led rollout activity yet stand to gain the most from smart functionality. Ensuring their inclusion requires targeted engagement and tailored support.

Deployment plans must include specific actions for PSR, prepayment, and private rented sector households. These groups consistently face barriers to access and stand to benefit most from smart functionality. For prepayment users in particular, smart meters offer significant advantages in terms of remote top-ups, improved budgeting, and reduced risk of self-disconnection. Prioritisation must be explicit and reflected in both supplier planning and regulatory oversight.

To ensure accountability and enable scrutiny, suppliers should be required to publish disaggregated rollout data. Headline figures can mask disparities in progress, particularly for those on prepayment or in insecure housing. Public reporting must include breakdowns by

payment type, tenure, and vulnerability status to reflect the experience of priority groups. This will allow consumer advocates to monitor delivery and ensure that the remainder of the rollout reaches those most in need.

Effective enforcement of operational obligations

The proposed 90-day recovery and pre-emptive replacement obligations are welcome, but must be backed by clear enforcement mechanisms and redress. NEA has previously raised concerns about the consumer detriment that can arise from prolonged loss of smart functionality, particularly for prepayment users. Obligations must be framed around consumer outcomes, not just technical compliance.

Retention of accessible feedback tools

In-home displays remain vital for digitally excluded consumers and those less likely to engage with complex technology. NEA's research and delivery experience show that IHDs are more usable and trusted by vulnerable groups, especially when paired with tailored advice. App-based tools may complement, but must not replace, physical devices.

Alignment with wider affordability reforms

Smart metering coverage assumptions will be vital in informing the design and delivery of future affordability interventions. This includes potential reforms such as rising block tariffs, standing charge relief, and targeted support schemes. Smart functionality will be essential to enable more granular consumption-based pricing and ensure that any future targeted affordability mechanisms are both fair and deliverable.

Separately, we note that under current proposals for the Debt Relief Scheme, exploring the installation of a smart meter may be one route through which eligible consumers meet the engagement criteria. It is therefore critical that the rollout framework ensures smart meter access is equitable, timely, and supported, particularly for those in or at risk of fuel poverty. DESNZ should clarify how rollout progress will be monitored and aligned with the delivery of these interventions.

Answers to the call for input questions

Feedback Tools and IHDs

Question 1. What evidence can you provide on both the cost savings and energy consumption savings to consumers of non-IHD feedback tools in comparison to IHDs? Are these realised for all groups of consumers?

National Energy Action's research and delivery experience consistently show that IHDs remain the most accessible and trusted feedback tool for vulnerable and digitally excluded consumers. While app-based tools may offer convenience and savings for digitally confident users, they risk excluding those without smartphones, data access, or digital literacy.

Previous projects, including *Smart for All* and *SMART-UP*, shows that IHDs drive meaningful behavioural change, including greater engagement and understanding, especially when paired with tailored advice. IHDs should be retained as the default provision, with apps offered as optional enhancements, not replacements.

Question 2. Thinking about the current role of IHDs and how this could evolve; is there evidence of the role that additional functionality may play in supporting a more flexible and dynamic Clean Power system?

Enhanced IHD functionality, such as real-time pricing and demand-side response prompts, could support system flexibility. However, innovation must be inclusive. Any new features must be usable by low-income and digitally excluded groups. National Energy Action cautions that app-only or overly complex tools risk widening the engagement gap. Physical IHDs and accessible in-home displays (AIHDs) offer a universal baseline and should be the foundation for any future enhancements.

Question 3. What evidence can you provide on additional, broader benefits to consumers of non-IHD feedback tools in comparison to IHDs? Please make reference to specific functionality and features of non-IHD feedback tools in your response, where appropriate.

Beyond device functionality, there is a broader need to consider how vulnerable consumers can be supported to engage with flexibility services. National Energy Action's work with SSEN on a fair transition has explored inclusive flexibility markets, where fuel poor households are actively engaged to provide flexibility in ways that benefit them financially. This approach recognises that flexibility can be a route to savings, not just a system benefit, and must be designed with equity in mind.

Trusted intermediaries, such as advice agencies and community organisations, have a key role to play in helping consumers understand and act on flexibility opportunities. This could include tailored guidance on time-of-use tariffs, peak avoidance schemes, or smart-enabled heating controls, delivered in formats that suit the consumer's needs.

Question 4. What evidence can you provide on the specific needs of vulnerable and low-income consumers in relation to feedback tools, including IHDs?

National Energy Action's longstanding work with low-income and prepayment households has consistently shown that IHDs are more usable, more trusted, and more effective for vulnerable consumers, particularly when paired with tailored advice from trusted intermediaries. For many in this cohort, the physical presence of a device in the home is essential for engagement,

understanding, and behavioural change. Apps alone are insufficient, especially for those without smartphones, data access, or digital confidence.

Ofcom's latest analysis on digital disadvantage⁶ finds that 5% of UK households do not have any internet access at home. For these households, app-based feedback tools are not just less effective, they are entirely inaccessible.

NEA's casework has highlighted instances where suppliers have advised clients that they cannot provide an IHD, and instead directed them to use an app or online account to monitor usage and spending. This is particularly problematic for digitally excluded households. For example:

- *"Client has never had an in-home display, they have been in the property for three years. The supplier, on first attempt to request a new one, is saying they will not be able to replace, and that the app/online account is the option to monitor usage and spends."*
- *"Smart metering in-home display replacement, client not had an in-home display since moving in – supplier advised unlikely to get a replacement, and that the app will be the best option – client has fallen into a small debt and would benefit hugely from being able to track his usage against his new 'you pay, we pay' direct debit he has been set up on for peace of mind."*

In one case, a client with multiple long-term health conditions was unable to check her smart prepayment meter balance because her property had no in-home display and the meter itself was only accessible by climbing a step ladder. Despite support from NEA and repeated attempts to resolve the issue, her supplier failed to provide an IHD or move the meter for several months. During this time, the client was left without gas or electricity on multiple occasions, adding to the stress of a recent house move and impacting her mental health. The case was only resolved after escalation, when an engineer finally visited and moved the meter to a safe, accessible location. This allowed the client to monitor her energy usage easily and access financial support when needed.

These examples demonstrate how the absence of a physical display can directly undermine a consumer's ability to manage their energy use and avoid financial or physical harm.

Further to this, AIHDs are a crucial element in ensuring that those with additional needs, such as visual impairments, are able to access the benefits of smart metering. National Energy Action has previously recommended that all suppliers be required to offer AIHDs to households on the Priority Services Register as standard, and that this obligation be reflected in both rollout and remedy standards. This recommendation was made in our response to Ofgem's Guaranteed Standards of Performance consultation and remains relevant here.

However, there is currently little transparency around the number of AIHDs that have actually been offered to consumers. Based on delivery experience and stakeholder feedback, National Energy Action remains unconvinced that current provision of AIHDs adequately reflects the level of need. We believe DESNZ should investigate whether the number of AIHDs offered aligns with Priority Services Register data, and take steps to address any shortfall.

Continued funding for IHD provision, including AIHDs, is essential. In addition, inclusive engagement strategies must be embedded throughout the rollout, with suppliers working in partnership with trusted organisations to reach and support those most at risk of exclusion. National Energy Action's work on the Smart Energy GB in Communities programme and our Smart Meter Symposium both highlighted the importance of post-installation support, clear communication, and accessible feedback tools in ensuring that vulnerable consumers are not left behind.

Operational obligations

Question 5. Do you agree that we should introduce an obligation on energy suppliers to take all reasonable steps to recover smart meters operating in traditional mode, in both domestic and non-domestic sectors, as soon as possible and no later than 90 days, building on the existing obligation on suppliers requiring they maintain all smart meters in smart mode? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

National Energy Action supports the introduction of a strengthened licence obligation requiring suppliers to recover smart meters operating in traditional mode within 90 days. This proposal complements Ofgem's Guaranteed Standards of Performance consultation, which we responded to earlier this year. In that response, we noted that while a 90-day timeframe may be reasonable from an operational perspective, it risks significant consumer detriment, particularly for prepayment users who may lose access to remote top-ups, balance tracking, and other smart functionality.

We therefore welcome the proposal to embed this obligation in licence conditions, but urge DESNZ to ensure that enforcement is robust and that suppliers are held accountable for timely recovery. Vulnerable consumers must be prioritised in triage and resolution, and automatic redress should be considered where recovery fails or is delayed. The obligation must be framed around consumer outcomes, not just technical compliance.

Question 6. Do you agree that we should amend the Operational Licence Condition to require suppliers pre-emptively replace communication hubs (and any associated smart metering equipment) by prescribed dates, supported by a new obligation on DCC under their Licence to issue a statement of dates setting out when DCC will no longer be able to provide specific communication services, so it is clear by when suppliers need to have completed replacements in order to avoid any impact on consumers? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Yes.

Question 7. Do you agree with proposals to clarify that the existing smart metering Operational Licence Condition (SLC 49 electricity and SLC 33 gas) applies to all SMETS meters in designated premises moving forward? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Yes. The licence condition must apply consistently across all SMETS meters and all suppliers to ensure uniform operational standards.

Question 8. Do you have views on any nuances specific to the non-domestic sector which interact with the proposals to introduce an obligation on energy suppliers to take all reasonable steps to recover smart meters operating in traditional mode within 90 days, and to amend the Operational Licence Condition, supported by a new obligation on DCC under their Licence to issue dates, so it is clear by when suppliers need to pre-emptively replace smart metering systems before relevant communication services terminate? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

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Rollout framework and data powers

Question 9. Do you agree with the proposed all reasonable steps obligation for energy suppliers to complete the domestic rollout by 2030 set out in Section 2. We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Yes. The all reasonable steps 2030 target is welcome, but success depends on a robust definition of “all reasonable steps” and strong enforcement. Without binding milestones or prioritisation safeguards, harder-to-reach groups may be deprioritised. Rollout plans must embed equity, with specific actions for prepayment, PRS, and low-income households. National Energy Action’s Smart Energy GB in Communities work shows tailored engagement is essential to reach these groups.

Question 10. What are your views on the benefits and risks of the approaches, outlined under ‘Alternative approaches considered’? Please provide evidence and rationale to support your answer.

Voluntary or supplier-led models without oversight pose serious risks to delivery consistency and consumer protection. Minimum standards and equity safeguards must be retained across any framework. A degree of flexibility is acceptable, but only within a clear, enforceable structure that ensures vulnerable consumers are not left behind.

Question 11. Do you agree with the proposal to extend the Data Request powers to five years after 31 December 2030? Please provide rationale and evidence to support your answer.

Yes. Extending data powers is essential to monitor rollout equity and consumer outcomes beyond 2030. Further to this, data must be disaggregated by payment type, housing tenure, and vulnerability status, to enable scrutiny and identify gaps. Transparency is critical to holding suppliers accountable and ensuring the benefits of smart metering reach those most in need.

Deployment plans and milestones

Question 12. Do you agree that we should require energy suppliers to provide Ofgem with annual deployment plans and report progress against those deployment plans, with annual milestones setting out what activities they will undertake each year for the domestic sector, to meet their smart meter installation, pre-emptive replacement, and operational obligations? If you disagree, please suggest alternative approaches that would enable monitoring and achieve accountability to ensure energy suppliers take sufficient action each year to meet the obligations set out in Sections 1 and 2 of the consultation. We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

We are supportive of the proposal and urge that deployment plans include specific targets and actions for priority groups. Public reporting must be mandatory to enable scrutiny, with specific targets for priority groups, including prepayment users, private renters, and low-income households. Without this, vulnerable consumers will continue to be underserved.

In particular, NEA’s [research](#) with Energy Action Scotland highlights the substantial benefits of smart prepayment meters and the urgent need for targeted deployment. The report estimates

that replacing all legacy prepayment meters with smart meters would deliver £5 billion in lifetime benefits to households and £1.4 billion to energy suppliers. These benefits include:

- The ability to remotely top up, removing the need to travel to physical locations.
- Easier switching between suppliers, enabling access to better tariffs.
- Access to innovative time-of-use tariffs, which can help reduce bills.
- Reduced risk of self-disconnection and improved ability to manage energy use.

Despite these benefits, only around three in ten prepayment households currently have a fully operational smart meter. The rollout has been slower than anticipated, and many barriers remain, including poor awareness, lack of tailored tariffs, and insufficient supplier engagement with vulnerable groups.

To ensure accountability and progress, we support Ofgem requiring suppliers to publish annual deployment plans with clear milestones and public reporting. These plans must include specific targets for replacing legacy prepayment meters, particularly in areas with high concentrations of fuel poverty.

Question 13. Do you agree that (a) the annual milestones for new installations and pre-emptive replacements should be binding and without tolerances, and (b) the annual milestone for smart meters operating in traditional mode should be non-binding? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

We support binding milestones for new installations and pre-emptive replacements. These are essential to maintain momentum and ensure delivery to those most at risk of exclusion. A non-binding milestone for recovery is acceptable if subject to monitoring and oversight. Ofgem must retain enforcement powers to ensure compliance and transparency.

Question 14. Do you agree that energy suppliers should (a) be required to submit updated deployment plans annually, and (b) be able to request re-submission to Ofgem in-year, in response to exceptional events that have a significant and negative impact on their ability to meet their annual milestones? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.

Yes. Annual updates are essential to keep plans relevant. Flexibility for exceptional events is reasonable, but it must be tightly controlled. There must be clear criteria and safeguards to prevent misuse or strategic delay, especially where vulnerable consumers are concerned.

Question 15. Do you agree that the date from which the annual milestones for new installations and pre-emptive replacements should be binding is 1 January 2027? If you disagree, please provide an alternative earliest date, including rationale for how this would be achieved.

1 January 2027 is acceptable as the binding start date, but suppliers should not wait until then to act. Preparatory work must begin prior to this, while interim reporting and voluntary targets would help build momentum and ensure early prioritisation of those most at risk of exclusion.

Question 16. Do you agree with the following measures to ensure deployment plans are of high quality and provide confidence that suppliers will meet their obligations:

- a) Ofgem should be given the option to reject the plan and the option to provide guidance to suppliers on when it might reject the plan? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.**

Yes. Ofgem must have the authority to reject inadequate plans and issue guidance. Anything less risks suppliers submitting generic or unambitious proposals.

- b) That suppliers should be required to provide evidence to support justification of the annual milestones, including justification for any numerical difference between the milestones provided for new installations and pre-emptive replacements, and a straight-line path to the relevant end-date, and supporting information on workforce and consumer engagement? Are there additional quantitative or qualitative information requirements that should be included in the deployment plan to support the assessment and justification of milestones? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.**

Yes. Plans must include workforce planning, consumer engagement strategies, and disaggregated targets. Additional data on regional disparities and vulnerable group engagement would strengthen assessment and ensure delivery is equitable.

- c) Do you agree that each supplier's deployment plan should be (a) approved by the supplier's Board and (b) milestones and progress against those milestones published on the supplier's website? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.**

We agree. Board-level sign-off ensures senior accountability. Public reporting is valuable in enabling scrutiny and helps maintain pressure for equitable delivery.

- d) If you disagree, with Q16. a), b) or c), are there alternative or additional design approaches that would reduce the risk of activities concentrated towards the end-dates within the plan and/ or to subsequent revisions to that plan? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.**

Not applicable. However, interim milestones and regular progress reviews should be introduced to discourage backloading and ensure steady delivery.

- Question 17. Do you agree that all energy suppliers, except those that supply gas or electricity, or both, to domestic sector customers via, in each case, fewer than 20,000 energy meter points, should be required to submit deployment plans? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.**

Yes. The threshold is reasonable, but smaller suppliers must still be held to account for delivery to vulnerable consumers. Tailored support or guidance should be provided to help them meet requirements without compromising equity.

- Question 18. Do you agree that the legal drafting (in Annex B) implements the policy intentions proposed in Section 1, Section 2 and Section 3 of this document? We welcome views from all stakeholders. Please provide rationale and evidence to support your answer.**

Subject to legal review, the drafting appears to reflect the policy intentions. Final text must be assessed for clarity, enforceability, and alignment with consumer protection objectives, particularly for those most at risk of exclusion.

References and notes

¹ For more information visit: www.nea.org.uk.

² National Energy Action also works alongside our sister charity Energy Action Scotland (EAS) to ensure we collectively have a UK-wide reach.

³ [Developing an Extra Help Scheme for vulnerable smart meter customers, NEA for Citizens Advice, 2014](#).

⁴ [Smart Up, NEA, 2018](#)

⁵ [Energywise, UKPN, 2018](#)

⁶ [Exploring how people in the UK are affected by 'digital disadvantage', Ofcom, 2025.](#)