



STATE OF ELECTRIFICATION

Headlines

KEY FINDINGS

People with heat pumps, solar or EVs say the technology is better in every way – but high electricity pricing and government policy is preventing more people from benefitting.

Satisfaction across electric technologies is higher than all fossil alternatives

- EV owners are more satisfied (6.1/10 vs 4.5/10 petrol/diesel). Only 3% would switch back.
- Heat pump owners say they are more comfortable (94%), cheaper to run (85%), easier to maintain (89%).
- Solar owners overwhelmingly recommend it (87%); half of the public are considering it.

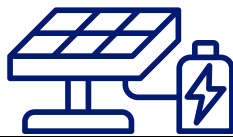
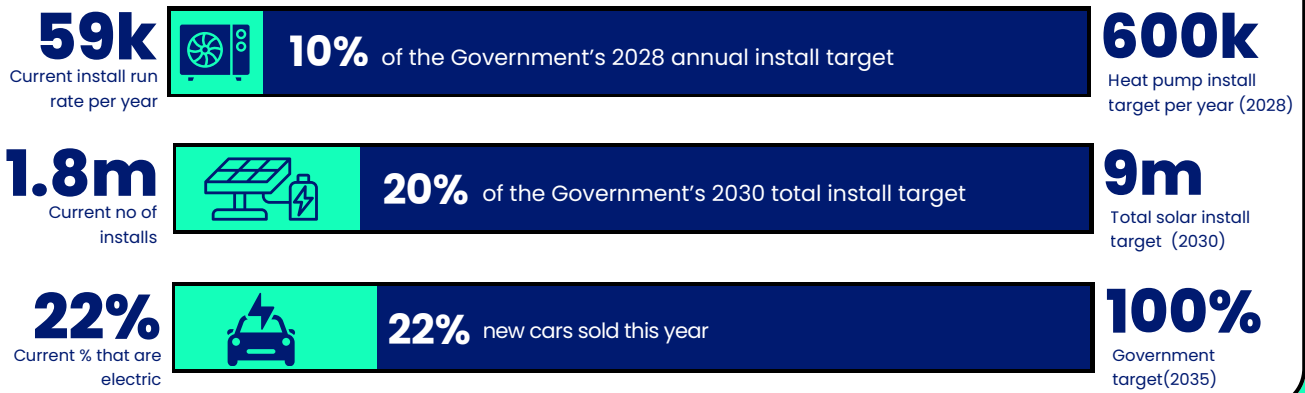
Upfront costs are still top of mind for consumers considering switching

- Heat pumps: Saving money on bills was the main reason to buy for 51% of people but only 21% believe they will save
- Solar: Cutting bills was the main motivation to buy for 88% of people but 65% said the install cost was too high
- EV: 75% of people lease to avoid upfront cost and benefit from tax savings

Uptake lags for clean heat: Government policy is holding back progress

- Levies keep electricity bills artificially high (4.19 times higher than gas), stopping people from making the switch
- Government support schemes are failing to deliver heat pumps at scale, particularly to low-income households
 - Latest Energy Company Obligation scheme installed 2 gas boilers for every 1 heat pump
 - From the ~£2.6bn pledged to low-income warm homes schemes this year, 8,021 heat pumps have been installed.
 - Zero heat pumps were recommended by EPCs last year, vs 121,000 gas boiler recommendations

PROGRESS VS GOV TARGETS



HOME HEATING
Installs have increased with government support, but are way off track

- Installs trebled since Boiler Upgrade Scheme launch; ~60,000/year vs 600,000/year target (2028).
- Avg premium now ~£1300 vs gas (with grant); savings up to ~£515/year on smart tariffs.
- Owners report 94% satisfaction vs 85% for gas boilers; 85% say cheaper to run; 89% say easier to maintain.

SOLAR

The most established tech is delivering savings and booming with storage

- ~1.8 million homes have solar; on track for 9 million by 2030 if growth continues.
- Typical system ~£7,700 (+ ~£3,250 battery); savings up to £1092/year on smart tariffs.
- 87% of solar households would recommend; 53% of the public likely to buy.

EVS

On the way to mainstream thanks to government policy and incentives

- ~22% of new cars are electric in line with government targets
- Avg price premium ~£10,000; savings up to ~£901/year with smart charging.
- Owners give higher satisfaction (6.1/10 vs 4.5/10 petrol/diesel); 73% cite lower costs, 73% cite environmental benefits, only 3% would switch back.

GOVERNMENT MUST ACT

to reduce electricity cost and get back on track for clean heat

Reform levies to shatter the cost barrier and drive take-up

- Rebalancing policy levies would boost heat pump savings by **£182/year** and electric car savings by **£64/year**
- It would also make heat pumps ~£1,000 cheaper to install, as homes no longer require lots of upgrades
- It would ensure clean heat is prioritised across all government schemes

Ensure the Warm Homes Plan prioritises clean heat

- Until levies are more balanced, the government must introduce other incentives and targets to ensure Warm Home Schemes such as ECO, SHDF, LAG and EPCs, prioritise clean heat
- This needs to happen in parallel with funding to ensure every £ is used effectively to support UK bill reduction and Net Zero targets