

FUTURE CLIMATE HMO LANDLORDS' GUIDE TO SMART METERS

November 15, 2016

SECTION 1: SMART METERS - BASICS AND FREQUENTLY ASKED QUESTIONS FOR LANDORDS

1. What is a smart meter?

A smart meter is a modern electricity or gas meter that sends automatic readings to the energy supplier – removing the need for estimated bills or for meter readers to visit the house regularly.

Every home in the country will be offered a smart meter to replace their existing gas and electricity meters, between now and 2020.

2. What is the in-home display?

Every smart meter is issued with an in-home display device (one device per home for both electricity and gas use) which enables the household to track energy use and energy expenditure in their home.

3. What are the advantages of a smart meter?

The main advantage of the smart meter is more accurate bills. The in-home display makes it easier to manage and control costs of energy in the home. In time, it will be possible to connect smart meters to different advanced (“smart”) energy services that can help reduce bills further (for example by offering discounts depending on the time of day that you use energy).

For pre-payment customers, smart meters can offer a wider range of pre-payment methods. When customers switch from paying their energy bills on a contract to pre-payment, there will also be no need to change the meter, as there is currently.

4. How much does a smart meter cost?

There is no charge for having a smart meter fitted (though the costs of the overall roll-out will be borne by all energy customers).

5. When will I get a smart meter?

The installation of smart meters is undertaken by energy suppliers with their own customers. Different households in the same neighbourhood will therefore be offered smart meters at different times between now and 2020.

6. Who decides whether to get a smart meter installed in rented properties?

Gas and electricity meters in your properties belong to the energy supplier. It is the bill-payer's decision whether or not to replace the existing gas and electricity meters with smart meters. The bill payer can contact the energy supplier to ask for the smart meters to be fitted, or the supplier may contact the bill payer.

Therefore, if your tenants are the energy bill payers, it is their decision whether or not to have smart meters installed. However, tenants may be in breach of tenancy agreements if this happens without the landlord's consent – it is important in all PRS situations therefore that both tenants and landlords are happy to have the meter installed.

The energy company will need access to your property to install the meter.

7. Can the landlord use the In-home display to monitor energy use in their rented properties?

As part of the installation process, the bill payer will be given an in-home display device to help them monitor energy use. This is wirelessly linked to – and locked to - the meters in that property. It only has a range to cover the house and its immediate vicinity. Accordingly, it is only useful for tenants to track their own energy use (it's range is not sufficient for it to be used by landlords to monitor energy use remotely).

8. Can a meter be moved at the time of the smart meter installation?

Yes, you can ask for the meter to be moved. If the landlord and/or the tenants requests for the meter to be moved, then the landlord will need to pay for any additional costs for this. If on the other hand the installer says they need to move the meter then the supplier may consider bearing the cost (suppliers are obliged by their regulator to make reasonable efforts to install smart meters).

9. What about if tenants lose the in-home display (IHD)? Can it be replaced? How much will this cost?

If you are a landlord paying the energy bills the IHD is your responsibility and we recommend adding it to the property inventory. Where tenants pay the bills it is their responsibility to pass the IHD to future tenants when they move out. Different suppliers will make different arrangements (cost etc) for the replacement of lost IHDs.

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FOR SHARED HOUSES WITH INDIVIDUAL PRE-PAYMENT METERS IN EACH TENANT'S UNIT AND ENERGY IN COMMON PARTS PAID FOR BY THE LANDLORD

I. Important note

Though every UK home will be fitted with smart meters, HMOs with multiple meters may not be offered smart meters for some time. From the point of view of energy companies, fitting smart meters in properties with multiple meters is complicated. There are technical issues and it is harder to organise.

II. What are the issues to bear in mind?

Your tenant pay their own energy bill and – for their own room/bedsit/studio flats - have the freedom to decide whether or not to have their existing pre-payment meter replaced with a smart meter.

Tenants can contact the energy supplier, or may be contacted by them, to discuss and agree to a smart meter. However, they should inform you of their plans to change the meter, as it affects your property.

The energy company will need access to the property to install the meter(s). For meters in individual units, the tenant should be present during the installation and will be given energy saving advice. The tenant will also be given a new in-home display which they can use to understand better how they are using energy. This only works in the individual unit. While it does not belong to you but to the tenants, you may wish to keep track of the in-home display to ensure that it stays with the unit when the tenant moves out – the next tenant will need it.

Installation of smart meters in communal areas will depend on whether energy use in this area is classed as domestic or non-domestic. Smart meters are only available for free as part of the national smart meter roll out for domestic customers.

III. What are the benefits of installing smart meters?

- Tenants will be able to take much better control of their energy spending through the in-home display and more advanced pre-payment facilities. That benefits you – because they're able to manage their bills better you can more confident about receiving your rent on time.
- By installing smart meters in communal areas you can:
 - Move away from estimated billing
 - Remove the need to visit the property to do meter reads or to let in meter readers
 - Get a detailed picture of how you are using gas and electricity in communal areas via apps provided by the energy company or from the in-home display
- Move more easily and quickly between energy suppliers, helping to keep bills down.

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