

Care and Repair Scheme

Funding GDN(s)	SGN
For Collaborative VCMA Projects:	Role of GDN(s) N/A
Date of PEA submission:	01 April 2021
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Total cost (£k)	*detailed separately
Total VCMA funding required (£k)	*detailed separately

1. Problem(s)

We are the gas emergency service for 5.9 million homes across Scotland and our Southern network, serving 14 million people of which 1.8 million are either registered on Priority Service Register or are classed as Vulnerable. Through the attendance of emergency and non-emergency jobs, our engineers visit around 300,000 homes every year to keep our customers safe and warm.

In the event where we are required to isolate the gas supply to keep our customers safe, our engineers advise customers to contact a Gas Safe Registered Engineer (GSRE) as there may be an issue with their internal gas pipework or gas fuelled appliance, until the customer contacts a GSRE their gas supply will remain off.

20% of customers affected will be in a vulnerable circumstance due to the supply being isolated and may require further support to help get connected. Our engineers provide temporary solutions in the form of a fan heater and/or hot plate to support vulnerable customers who have been disconnected to support during their gas off. However, they recognise not all vulnerable customers may have the finances available or access to funding to help get their gas connected, meaning they can go long periods without heating/hot water or adequate cooking facilities. Utilising these temporary solutions for extended periods are extremely costly for the customer.

Leaving vulnerable customers without essential heating, cooking or hot washing facilities over a period can exasperate their existing medical conditions and their well-being due to living in a cold home. With no suitable cooking facilities, we understand this may put financial strain on low income vulnerable customers and their families as accessing funds to replace gas appliances may not be readily available.

Engineers also tell us, on occasion, they find themselves speaking on behalf of our vulnerable customers to trusted third parties or to our dedicated Careline team for further help and support to get them connected as,

- Vulnerable customers are unaware/unsure of who to contact to help connect their gas supply
- Vulnerable customers on a low income may be unable to afford the cost of a gas safe registered engineer to inspect their pipework or appliances
- Vulnerable customers living in privately rented accommodation on a low income may be unable to afford to repair or replace a condemned essential gas cooker
- Vulnerable customers on a low income, may prioritise finances to other household bills rather than set up a servicing contract with a GSRE company meaning they could be exposed to the risks of Carbon Monoxide
- Vulnerable households are worried about the cost of using other forms of heating/cooking during this gas outage, due to the additional energy cost

During 2018, based on feedback from our engineers and customers to help get connected, we researched what financial funding was available in both networks for the repair/replacement of gas appliances and found there was a funding gap preventing vulnerable customers on a low-income access support.

Support/funding through government, ECO or local charitable streams to support the servicing, repair or replacement of essential gas appliances was not easily accessible or not available. Where funding was available for the replacement of gas fuelled boilers, this was limited/varied and time consuming due to eligibility criteria.

With no or limited access to funding this meant some of our vulnerable customers would need to use alternative heating appliances to keep warm until they could afford to contact GSRE, or until they are contacted, putting additional financial strain/pressure on our low-income customers.

In extreme cases some vulnerable customers will never have their gas reconnected due to affordability, this is particularly concerning as we would never know if customers were connected as our emergency engineers only visit properties once.

We wanted to ensure all vulnerable customers who found themselves in a vulnerable circumstance with no access to emergency funding in our networks could have access to a scheme which would offer financial support quickly. We also wanted to ensure all vulnerable customers had access to energy efficiency advice to help use their energy more affordably and safely.

We introduced an appliance voucher scheme following feedback from engineers and stakeholders during November 2018 as a 3-month pilot scheme to support vulnerable customers over the winter period.

This scheme proved successful and we have been offering this scheme as an additional referral service working with a trusted partner who provides additional funding streams and support for our vulnerable customers using various local/eco funded schemes. We have evolved this service over the past 2.5 years providing access to an additional range of support services to ensure customers in a vulnerable circumstance who are unable to afford the cost of the repair/replacement of an essential gas appliance have access to funds. This means they are connected on average within 72 hours of the gas going off, where minimal repairs are required. Over 300 customers have benefited from this service so far.

With our RIIO-GD2 price control we have worked closely with Ofgem, other Gas Distribution Network Operators and key Stakeholders to ensure under our VCMA funding we can widen the scope of the emergency funding scheme.

Our new scheme Care and Repair will provide essential financial funding for the repair/replacement of pipework or essential gas fuelled appliance and will also provide funding for essential appliance servicing safeguarding vulnerable customers against the dangers of carbon monoxide.

2. Scope and Objectives

The scope and objectives of the VCMA Project should be clearly defined including the benefits which would directly impact customers on the participating GDNs' network(s), and where the benefits of the VCMA Projects lie.

2.1 Our aim

The aim of our Care and Repair scheme is to provide an emergency funding referral service for our engineers to access for all vulnerable customers where they have isolated/capped the gas supply or condemned an essential gas appliance. This service will be offered to eligible vulnerable customers who are unable to afford the costs associated with servicing/repair/replacement of gas pipework or gas appliances, whilst providing further support services best suited to their circumstance.

2.2 The objectives of this initiative are to

- Provide an emergency referral service engineers can access to obtain consent and refer vulnerable customers for guidance and where required financial and skilled support
- Provide a trusted third-party organisation to manage our Care and Repair service who are accessible and inclusive
- Provide access to a gas safe engineer to complete an assessment of the gas supply and provide a report of repair/replacement/service required
- Provide the funding required for the costs associated with the works required
- Provide Gas Safety Advice and Carbon Monoxide awareness to vulnerable customers
- Provide energy efficiency advice and refer for energy efficiency measures suited for the home
- Provide a working Carbon Monoxide Alarm if none at property
- Provide access to additional support services for our vulnerable customers suited to their needs
- Register vulnerable customers to their energy supplier's Priority Service Register

2.3 The Scope

- Programme is for 3 months April to June 2021 working with an existing partner
- Support 100 vulnerable customers from gas isolation to restoration
- Understand if the repair/replacement is due to age or poor servicing history of appliances to support with future initiatives
- Increased awareness of Gas Safety and Carbon Monoxide
- Provision of energy/financial advice beyond the emergency support

2.4 Activity

- 30% boiler repair/replacement
- 35% pipework replacement/repair
- 20% gas cooker repair/replacement
- 10% gas servicing
- 5% gas fire repair/replacement

2.5 Additional support services

- 100% Energy Efficiency Advice and
- 100% access to Energy Efficiency Measures
- 100% Carbon Monoxide Awareness
- 20% allocate a Free Carbon Monoxide Alarms
- 50% registered on Priority Service Register

3. Why the Project is being funded through the VCMA

This should include an explanation of why the VCMA Project meets the VCMA eligibility criteria. This is a requirement

This scheme falls under the criteria for the VCMA funding, with 100% of the funding coming from SGN, with no collaboration from other GDN's or other funded sources.

3.1 Criteria below:

In order to qualify as a VCMA Project, unsafe pipework and essential gas appliance servicing, repair or replacement must meet the following criteria:

- a. A GDN has to isolate and condemn unsafe pipework or an essential gas appliance following a supply interruption or as part of its emergency service role;
- b. The household cannot afford to service, repair or replace unsafe pipework or the essential gas appliance; and
- c. Sufficient funding is not available from other sources (including national, devolved or local government funding) to fund the unsafe pipework or the essential gas appliance servicing, repair or replacement.

Where possible the work required will be assessed for eligibility through local schemes before applying the VCMA funding.

4. Evidence of stakeholder/customer support

4.1 Customer Experience Roadshows 2018

Early 2018, we surveyed 500 emergency engineers and asked them to name the top 5 scenarios where they found it difficult to walk away from following a gas emergency visit. One of our top categories, was leaving a vulnerable customer in a vulnerable circumstance due to isolating/capping the gas supply meaning customers were left with no heating or hot water and at times no access to cooking facilities. This was especially hard in the winter months where temperatures within the home would drop quickly putting customers at risk.

Engineers asked us to find a solution to help them refer customers with permission easily to a support service which could provide financial support to help get their gas connected.

We piloted a scheme Feb 2018 with positive outcomes

4.2 Moving Forward Together – Stakeholder Workshops held during 2018 and 2020

Sharing our top 5 categories with our stakeholders during our engagement workshops in 2018 they agreed providing essential emergency funding for customers in vulnerable circumstances was the right thing to do as they acknowledged there was a lack of funding to help address the outlay for some vulnerable customers to service/repair or replace gas pipework or essential appliances.

We revisited our priorities during 2020 and again Stakeholders agreed essential funding to support vulnerable households get connected following a gas emergency should remain one of our top priorities due to the impact of Covid on our most vulnerable customers in relation to affordability.

4.3 Customer Engagement Group 2019/20

Shaping our business plan to support customers in vulnerable circumstances we have committed to over the 5-year price control supporting over 250,000 vulnerable customers use gas safely, affordably and efficiently. We have a three-tiered approach and tier 1 priorities include providing an essential care and repair service to help provide vulnerable customers with access to funding to help get them connected.

November 2018, we launched a new Winter Voucher Appliance Scheme to extend the reach to supporting customers in vulnerable circumstances. This scheme has been expanded and has continued until March 2021.

308 customers have been referred so far from our emergency engineers in the home, due to stakeholder feedback and our engineers never walking away from a vulnerable circumstance.

4.4 Vulnerable Steering Group

During 2020/21 our Vulnerable Steering Group has helped us shape our vulnerability strategy and our priorities for GD2. For Year 1 we prioritised key initiatives to support our most vulnerable customers and they recognised our proposed care and repair scheme as a priority area agreeing with us to expand our existing model with our recognised partner.

4.5 Careline Service – Covid Mar 20 – Feb 21

During Covid 20/21 our Careline service has been a critical support for engineers and customers providing an essential referral network of emergency services for vulnerable customers to access during Covid. Our team have managed over 5,500 vulnerable customers following their gas supply interruption providing access to

GSRE advice, our essential services and referred customers to our appliance voucher scheme. We have seen an increased need for this service during Covid.

We have some case studies from customers who have benefitted from this service either directly through our funding or other funded sources via our partner.

4.6 Customer feedback

Customer 1

Mrs B an elderly lady living alone with respiratory health problems was referred to the SGN Voucher Scheme on following a gas escape. Following some initial challenges making contact with Mrs B, the project team liaised with Mrs B's friend and neighbour to arrange for a local gas safe engineer to attend. The engineer was able to replace a short section of pipework which had a leak and restore gas to her existing appliances during this visit. Mrs B told us "I was very happy with the whole process...the contractors were very nice and friendly".

Customer 2

Mrs C was referred to the SGN Appliance Voucher Scheme after an SGN engineer condemned her boiler. Mrs C is terminally ill and relies on bottled oxygen. With her boiler condemned, she was reliant on a portable electric heater for warmth. Whilst the family initially advised that they had contacted a private contractor to carry out a boiler repair and did not require any assistance, they struggled with this and re-contacted the team. The team arranged for an engineer to attend and survey the work required at which time a boiler replacement was identified as the only route to restore heating to the home.

It was recognised that the client qualified for funding through the Emergency Central Heating Offer (ECHO) to cover the cost of the boiler replacement. In order to access this, a local environmental charity, The Environment Centre were contacted to assist with obtaining a Local Authority Flexible Eligibility Declaration which enables ECHO funding to be accessed. This was gained in short order and a replacement boiler was installed 5 working days following the first visit, fully funded by the ECHO programme. Mrs C rated the service as 9 out of 10 and told us she loves the new boiler.

Customer 3

Mrs J, a full-time carer for her disabled son was left without the ability to heat her home or cook following a gas leak. The SGN Appliance Voucher Scheme team arranged for a gas safe registered engineer to attend the property to investigate how the issue could be resolved. During this visit, it was quickly determined that the leak was coming from pipework which was hard to access under the floorboards. Realising that this would cost more than the standard offer of £200, the engineer carried out a survey and produced a quote of the works required which totalled £570. This quote was submitted to the SGN Appliance Voucher Scheme team and approval for additional spend was granted in light of the client's needs. Following the approval of the works required, the engineers came back three days later and restored Mrs J's gas connection to all her appliances.

Customer 4

A SGN emergency engineer (FCO) attended and isolated Mr A's gas supply due to an issue with his gas boiler. Mr A, a homeowner, lives alone and was worried about the cost of a GSRE to repair the boiler. Mr A had been left a fan heater by the FCO, and the FCO referred the customer to our Appliance Voucher Scheme to assess what was required to reinstate the gas heating system. Mr A was extremely grateful for the help from SGN, was very emotional and couldn't believe that companies like SGN wanted to help. Mr A thought it was an "April Fools" and couldn't have been more thankful. AgilityEco successfully installed Mr A's new heating system following approval of funding by SGN.

5. Outcomes, associated actions, and success criteria

Details of the VCMA Project outcomes and the associated actions to achieve these, interim milestones and how the Funding Licensee will evaluate whether the project has been successful. Each action should have a proportion of the funding allocated.

5.1 Outcomes for the three-month programme

- 100 customers access to the Care and Repair scheme
- 100 customers increased awareness around how to use energy efficiently and affordably
- 100 customers increased awareness around Carbon Monoxide
- 50 customers added to the Priority Services Register

5.2 Success criteria

- All Vulnerable customers referred will have a greater understanding of the importance of gas safety and the dangers associated with Carbon Monoxide via the common gas awareness survey
- All vulnerable customers will have received advice around energy efficiency and using energy affordably helping them with future energy costs
- Vulnerable customers will have access to further ECO measures providing retrofit works for their homes, improving the fabric of their building and the well-being of the household.

6. Project Partners and third parties involved

Details of Project Partners or third-party involvement

AgilityEco to manage the service of providing a gas safe engineer, assessment of best course of action and eligibility and delivery of any in home gas equipment repair, replacement and or servicing.

7. Potential for new learning

Details of what the GDN(s) expect to learn and how the learning will be disseminated.

We expect to learn from this project

- Why the gas appliance needs repaired/replacing from the insight we gather from AgilityEco and GSRE.
- Opportunity to share with the other GDN's and collaborate on key preventative pro-active messaging which can be shared with vulnerable customers.
- The level of awareness surrounding Carbon Monoxide dangers/symptoms (before and after our visit), what information customers find useful and how best for them to receive it. This will help frame any future CO messaging to the same demographic.
- With the offer of free servicing of an essential gas appliance and the potential risks associated with Carbon Monoxide will vulnerable customers be more open to putting in place an affordable future service plan through an approved partner, if the efficiency benefits and savings are realised through Energy Efficiency Advice?

Our learnings will be shared as part of a wider project during Year 1 of our VCMA funding at our annual showcase event.

8. Scale of VCMA Project and SROI calculations

The Funding Licensee(s) should justify the scale of the VCMA Project – including the scale of the investment relative to its potential benefits. As part of this, it should provide the SROI calculation.

We are making our Social Value assessment based upon historic activity and estimate the following outcomes and associated financial impact;

- 30% boiler repair/replacement
- 35% pipework replacement/repair
- 20% gas cooker repair/replacement
- 5% gas fire repair/replacement

Additional support services

- 20% free carbon Monoxide Alarms
- 40% registered on Priority Service Register
- 100% Energy Efficiency Advice

Social Value Measurement

Working with leading social impact research consultancy Simetrica we have developed a bespoke social value bank of financial and wellbeing outcomes applicable to our services for vulnerable customers. The approach used to estimate social value is based on best practice endorsed by HM Treasury for the evaluation of social policy, and utilises values from the Treasury's 'Green Book' where applicable.

*Cost and impact assessment provided separately

VCMA Project start and end date

Detail start and end date of the VCMA Project and, where relevant, the VCMA Project that preceded this initiative.

1st April 2021 to 30 June 2021

Geographic area

Details of where the VCMA Project will take place. If the VCMA Project is collaborative, the Funding Licensee area(s) in which the project will take place should be identified.

Scotland, South and South East

Approved by

Rob Gray

Director of Stakeholder Relations and Communications