

Safe and Warm Community scheme

Vulnerability and Carbon Monoxide Allowance

March 2023

SGN



SGN

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1 Description

Funding GDN(s)	SGN
For Collaborative VCMA Projects:	N/A
Date of PEA submission:	08/11/2022 – Update 24/03/23
Project contact name:	Kerry Potter
Project contact number/email:	Kerry.potter@sgn.co.uk 07427 031 200
Total cost (£k)	£700,000
Total VCMA funding required (£k)	£700,000

2 Problem statement

The energy price cap rise in October 2022 will double the cost of energy for customers in one year and it is projected to put millions more British households into fuel poverty. Lower income households are more likely to respond to higher energy prices by cutting energy use below safe levels, some will find themselves in the situation where energy will become unaffordable resulting in self-disconnection or unmanageable energy debt.

Additionally, residents who experience fuel poverty are more likely to be exposed to dangerous carbon monoxide exposure. Due to financial vulnerability, they may be unable to safely maintain their gas appliances, resulting in a lack of regular gas appliance servicing, coupled with the absence of carbon monoxide alarms, puts vulnerable residents at an increased risk of carbon monoxide poisoning.

Insight from Citizens Advice, National Energy Action and Fuel Bank Foundation has highlighted that there is a gap in understanding on what support is available nationally and locally. They have also reported that go-to trusted advice services are seeing record numbers of customers in energy crisis, reliant on support for household essentials including food and energy. This increase in demand is already seeing strain on the charitable sector which is seeing services strained.

Grassroot charitable organisations can help reach people at a local level who may otherwise slip through the net but are often under-resourced and over-stretched. Often, they do not have the capacity, skills or access to appropriate referral pathways and find it difficult to tap into possible funding streams such as the Vulnerability and Carbon Monoxide Allowance. With the cost-of-living crisis and the rises in energy prices pushing more people to seek advice and support, the situation has become more challenging. The needs of people seeking support are becoming increasingly complex, taking more time to resolve, and requiring advisors to have training in a broader range of issues.

3 Scope and objectives

Working in partnership with Centre for Sustainable Energy (CSE) we will be creating a new network that identifies and brings together grassroots charitable organisations to work at a targeted local level to provide much needed energy safeguarding support for customers this winter.

This will be achieved by providing useful and clear information resources that help existing local support teams embedded in communities so that they can help those in energy crisis this winter. Charitable partner organisations will be selected as they are established in and around areas of high need as identified by both CSE's data team and SGN's Vulnerability Index as developed in partnership with the Energy Savings Trust and have experience in working with hard to reach and seldom heard groups.

The Safe and Warm community scheme will provide grassroots charities with the skills and the funding required to help vulnerable residents living in hard-to-heat homes, those experiencing fuel poverty with support to

understand what help is available this winter linked to energy and financial advice as well as help to access the Priority Services Register, crisis support and information on carbon monoxide safety.

March 2023 – to support the onboarding of smaller organisations there will be more time allocated to building skills in energy advisory services and triage skills.

Through the Safe and Warm community scheme we aim to provide support to a minimum of 5,600 vulnerable households this winter with tailored advice and support provisions to improve the health, wellbeing, and financial outcomes for those households finding it difficult to keep warm this winter.

*The additional funding added in March 2023, will enable us to support 10 to 12 more grass root organisations supporting a minimum of 2,000 additional households with practical energy safeguards.

The Safe and Warm community partners will as a minimum support customer by providing:

- Current energy safeguarding advice, how to use energy efficiently and safely and information on relevant energy schemes
- Help to access the Priority Services Register(s)
- Carbon monoxide alarms and advice on carbon monoxide safety
- Onward support for customers in food or fuel crisis
- Help to access benefits assessments and debt support

4 Why the project is being funded through the VCMA

This project will provide support to residents in energy crisis, providing access to key services including the PSR, interventions that address fuel poverty and broader safeguarding and wellbeing services, whilst delivering a positive Social Return on Investment. The project will help to empower customers to use energy safely, efficiently and affordably through a trusted network of partners. The project will work collaboratively with expert agencies to maximise positive impacts beyond energy, increasing the health and wellbeing of the individuals supported and delivering defined outcomes.

5 Evidence of stakeholder/customer support

5.1 SGN RIIO-GD2 Business Plan

In the process of shaping our RIIO GD2 Business Plan we engaged stakeholders and customers about our plan to support 50,000 customers each year through a three-tiered approach, and what services/initiatives should be included within each of those tiers. During our Positive Impact round table event our stakeholders emphasised the importance of partnerships to increase the value of our allowance in generating positive outcomes for customers. Feedback from our Customer Service & Supporting Vulnerable Customer – Shaping the Business Plan Qualitative Workshops suggested potential tier two initiatives should include supporting those most vulnerable to living in a cold and unhealthy home

5.2 SGN Vulnerable Steering Group

Our Vulnerable Steering Group has helped us shape our vulnerability strategy and our priorities for GD2. With their guidance we intend to prioritise key initiatives to support our most vulnerable customers. It is with guidance and support from our dedicated Vulnerable Steering Group that SGN should use data to prioritise and target communities most likely to be living in a cold and unhealthy home whilst working alongside other go to support networks to ensure support is holistic and customer centric – and this approach needs to be flexible as at this difficult time customers especially those in stressful situations will need trusted support agencies to help them access help.

*Update March 23 Steering Group have confirmed support for creating greater capacity and skills in local crisis organisations to help those in energy crisis through the facilitation of skilled partners.

5.3 GDN Showcase Event – Stakeholder Feedback

At the first annual GDN VCMA Showcase event the feedback from stakeholders asked us to consider how we could support smaller charitable organisations access the funding support available via the VCMA, whilst making the process of onboarding simpler and more aligned to the needs of grassroots charities.

5.4 Centre for Sustainability – Stakeholder Feedback

Energy advice organisations are seeing unprecedented demand for their services as people are impacted by rising energy prices, the cost-of-living crisis and the long-term impact of the pandemic on health and incomes. Requests for help are also becoming more complex and organisations are finding they need to adapt to be able to provide holistic advice and referrals on top of energy saving advice. More and more advisors are advising and supporting individuals to maximise their incomes (through benefit checks, vouchers and grant support) and handling severe physical and mental health implications, which requires additional training. We're also seeing that grass root organisations are identifying and supporting those in the community who would otherwise not seek support through mainstream support agencies.

In March 2023 CSE confirmed that workshops would support the onboarding of grass root smaller organisations to help build skills in energy advisory services. This feedback has been incorporated into the scope of works.

6 Outcomes, associated actions and success criteria

6.1 Outcomes

The collaborative partnership will enable the community engagement via grassroots charities to help keep hard to reach communities safe and warm this winter. The in-community charitable partners will be provided with the resources and training to help those most in need as identified by deprivation data and insights on hard to reach seldom heard community needs. The partnership will be embedded within the community working closely collaboratively alongside Centre for Sustainable Energy to reach those most in need of support to maintain a safe and warm home.

The Safe and Warm community scheme project provides the following outcomes.

- Be provided with current information on the help available this winter and offered access to support should they need help to maintain a safe and warm home
- Be supported with critical primary needs, energy and food poverty and debt support where needed
- Be supported to join the Priority Services Register where eligible - providing security and support eligible households need in the event of an unplanned outage from all of their regional utility companies
- Be more aware of the risks of Carbon Monoxide and how to mitigate these
- Have reduced stress, and improved health and wellbeing as a direct result of being helped at a time of unprecedented need.

6.2 Success Criteria

We are working together to provide trusted in community support to those most likely to be living in fuel poverty and energy crisis this winter. We are aiming to support the following customer outcomes, which has formed the basis of our social return on investment modelling.

To monitor our impact of our programme we will monitor outcomes including customers supported as well as capture data on who is using the service including demographics, vulnerabilities and needs.

- 12 to 20 charitable grassroots organisations provided with the funding and skills to support people in need this winter to stay safe and warm
- 5,000 households provided with winter resilience, PSR, CO safety and energy advice information
- 1,000 customers supported to sign up to the Priority Services Register
- 500 customers provided with CO alarms including accessible alarms as required
- 1,000 customers provided with access to crisis food / meal support and clothes banks

- 1,000 customers supported to access debt advice

*Updated March 2023 - Additional outcomes for the additional funding include;

- 10 to 12 charitable grassroots organisations provided with the funding and skills to support people in need this winter to stay safe and warm
- 2,000 households provided with winter resilience, PSR, CO safety and energy advice information
- 400 customers supported to sign up to the Priority Services Register
- 200 customers provided with CO alarms including accessible alarms as required
- 400 customers provided with access to crisis food / meal support and clothes banks
- 400 customers supported to access debt advice

7 Project partners and third parties involved

SGN – regional gas network providing programme funding and support to the delivery team, including training on energy schemes including PSR and CO safety, access to a broader referral partner network, and direct services for customers including but not limited to Locking Cooker Valves and CO alarms.

Centre for Sustainable Energy (CSE) - Independent national charity, established in 1979 to tackle climate change and end the misery of cold homes. They undertake practical work to support communities to take action on energy, alongside original research and analysis to inform local and national policy. CSE has unrivalled UK-wide experience supporting community-based energy projects, working with individuals and groups to achieve positive change - from delivering energy advice to vulnerable households, installing energy efficiency measures, low carbon planning, and community renewables. CSE will support with the identification, training and ongoing support of the community partners and projects.

8 Potential for new learning

Monitoring and evaluation

The following activities will be in place to monitor and evaluate project progress and impacts:

- Quantitative and qualitative service user outcomes and demographics/vulnerabilities recorded/monitored
- Service user before-and-after-support surveys
- Feedback, indicators, outputs and outcomes reported on quarterly
- Project progress management: these include monthly and quarterly partner meetings to share ideas and challenges through individual and organisational partnership case studies.

Learning

We are keen to build in additional learning from this project to see how we can bring together a grassroots organisations to support local schemes with a common theme, by sharing learning insights improves outcomes for customers who don't actively seek help when in need from crisis agencies including Citizens Advice. We intend to share an annual report across electricity, gas and water networks in addition to sharing project impacts and case studies during our annual showcase event.

9 Scale of VCMA Project and SROI Calculations

Social Value Measurement

We worked with leading social impact research consultancy SIA Partners to carry out an assessment of the financial and wellbeing outcomes applicable to our services for vulnerable customers incorporated in this partnership. Carrying out an in-depth assessment of the predicted outcomes we forecast a positive net social return of £0.38. This is based on a conservative view of the outcomes associated with this project due to the challenges of quantifying outcomes when working with grassroots charities. We fully anticipate the social value and thus the SROI being significantly higher based on actual delivery.

Total cost*	£500,000.00
Total gross present value	£690,428.25
NPV	£190,428.25
SROI	£0.38

PV of customer financial benefits	£104,145
PV of societal benefits	£586,283
% Customer financial benefits	15%
% Societal benefits	85%

*Updated March 2023 – We have revised the SROI forecast based on the increased funding allowance and the associated increased outcomes. Carrying out an in-depth assessment of the revised predicted outcomes we forecast a positive net social return of £0.41. As with the original forecast, this is based on a conservative view of the outcomes associated with this project.

Total cost*	£700,000.00
Total gross present value	£985,476.57
NPV	£285,476.57
SROI	£0.41

PV of customer financial benefits	£147,904
PV of societal benefits	£837,573
% Customer financial benefits	15%
% Societal benefits	85%

10 VCMA Project start and end date

The project will run from November 2022 to November 2023

*Updated March 2023 – project will be extended to January 2024

11 Geographic area

SGNs network areas

12 Approval

Rob Gray - Director of Stakeholder Relations and Communications