

South London Together

Providing accessible help to keep
communities safe and warm

February 2023

UPDATE May 24
SGN



SGN

Your gas. Our network.

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1 Description

Funding GDN(s)	SGN
For Collaborative VCMA Projects:	N/A
New/Updated	Update May 24
Date of PEA submission:	07/03/23
Project contact name:	Kerry Potter
Project contact number/email:	Kerry.potter@sgn.co.uk 07427 031 200
Total cost (£k)	£369,920.50 Update May 24 £390,285.50
Total VCMA funding required (£k)	£369,920.50 Update May 24 £390,285.50 – Additional funding added for CO alarms

2 Problem statement

Against a backdrop of the UK's energy prices doubling in the past 12 months its currently estimated that there are over 6.7 million households living in fuel poverty in the UK.

From the 1st of October, the government implemented an energy price guarantee, which limits the amount you can be charged per unit of gas or electricity. The energy price guarantee has been amended many times throughout its introduction in October 2022, however it has recently been announced in the 2022 Autumn Statement that the energy price guarantee will last until April 2024¹. It is worth noting, the energy price guarantee stays as it is until end of March 2023, after which it will rise by about 20% (so an 'average' household will pay £3k instead of £2.5k).

It's predicted that this will increase the number of households into fuel poverty to almost 11 million, that's 1 in 3 households in fuel poverty, many of which will be in extreme fuel poverty. (NEA, Fuel Poverty Coalition, Cornwall Insight).

Household incomes are not increasing at the same rate as living costs, resulting in many people to rely on hardship schemes and other crisis support to make ends meet. Data from Trussell Trust support this and identified 1 in 7 people using their food banks were employed². Central Government help in the form of the cost-of-living payment exclusively benefitted those who are in receipt of benefits. It has excluded those who are low-waged or those who have no recourse to public funds.

It is understood that the cost-of-living pressures are worse felt in these more deprived areas and by people within vulnerable groups, which we have highlighted below, as they are more likely to be socially and/or digitally excluded and unable to resolve issues by themselves. The cost-of-living crisis has exacerbated pre-existing intersectional exclusions related to ethnicity, gender, language, or disability, this has been where we have seen vulnerable customers experiencing greatest hardship.

Based on the 2020 fuel poverty statistics London had circa 400K households in fuel poverty, representing an 11.1% proportion of households, however, this average masks huge variation at the LSOA level. South London

¹ [Energy bills support factsheet - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/factsheets/energy-bills-support-factsheet)

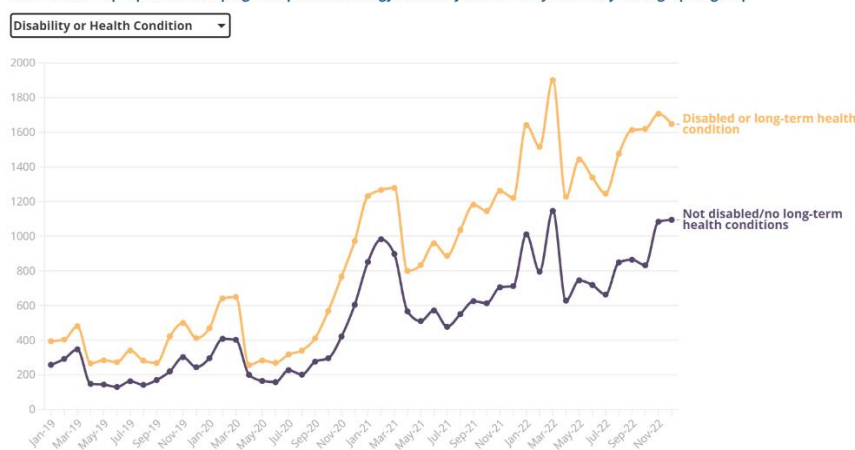
² [Do working people need food banks? - The Trussell Trust](https://www.trusselltrust.org/news-and-research/do-working-people-need-food-banks/)

is patchwork relative affluence and deprivation. In Lewisham alone, according to the latest sub-regional statistics, fuel poverty on the LSOA level varies from just 5% of households (Lewisham 009C) to 25% of households (Lewisham 037A). Moreover, the latest data was collected before Covid 19 prior to the increased costs of energy and the cost-of-living crisis. This means that this information under-represents the needs of these communities, many of whom will already be vulnerable, and at risk of exacerbated ill health or death due to the inability to keep their homes properly heated because of rising energy costs.

Local Authority District name (2019)	IMD - Average rank	IMD - Rank of average rank	Percentage in fuel poverty	Average Excess Winter deaths 2008 - 2011
Bexley	13529.71	190	10.13	106.3
Bromley	11297.45	230	9.29	216
Greenwich	20383.77	60	12.95	68.5
Kingston upon Thames	9412.29	270	9.29	73
Lambeth	21351.38	42	11.07	72
Lewisham	21959.25	35	14.08	84.7
Merton	12224.63	214	10.52	84.2
Richmond upon Thames	7159.19	297	7.47	59.5
Southwark	21247.36	43	11.11	71.7
Sutton	11415.25	227	9.81	88.5
Wandsworth	14312.18	173	8.61	114.3

Data shared by Citizens Advice as detailed in the February 2023 Cost of Living Crisis dashboard, has demonstrated that it is disabled people who continue to be most likely to be in energy crisis requiring tailored support, and that it's disabled people who are disproportionately going into energy debt as the energy needs are greater and impact of self-disconnection more acute.

The number of people we're helping with practical energy efficiency advice every month by demographic group



Both South East London Community Energy (Selce) and Thinking Works have seen a marked increase in demand for energy advice. There has been an increased demand for those who are in work but low waged. YouGov on behalf of the GLA shows 79% of Londoners reported an increase in their cost of living over the last six months as Londoners were most likely to report larger increases in their food and energy bills. Adjusting for national inflation, median weekly pay for employee jobs in London was 5.9% below 2010 levels in 2019, while for the rest of the UK that gap was just 0.9%. Meanwhile, prices tend to be around 7% higher in London than

the UK average. The National Institute of Economic and Social Research (NIESR) estimates suggest underlying inflation in the capital may be 1 percentage point faster than the UK average.³ Facing generally higher costs, the low-waged in London disproportionately feel the impact of increases in fuel costs.

Those who are struggling the most tend to not only be low-waged but also face intersectional exclusions: they are often households with a low level of English language proficiency, with low levels of literacy, and those facing high energy costs due to disability. These exclusions also make them 'hard to reach'. Londoners in energy crisis often turn to faith or community sector organisations such as Gurdwara or pensioners lunch clubs; and although they receive immediate help there isn't the skills to provide short / medium term. Both Selce and Thinking Works have found that the best way to reach those in greatest need is to build referral relationships with community sector organisations and to train them. This enables them to start the advice journey and to refer appropriately.

Both Selce and Thinking Works are part of a Fuel Poverty Strategic fuel poverty alleviation partnership in which they work together with local authorities on a coordinated approach. Despite this, levels of funding for energy advice services differs from one borough to next with some boroughs providing greater levels of funding both overall and per household and for a longer period in southwest London as opposed to southeast. This creates a postcode lottery such that residents in southwest London benefit from a greater level of service overall and per household. Gaps in service provision exist particularly in terms of provision of emergency top-up vouchers, access to carbon monoxide alarms and funding for in home energy advice. None of the residents in either southeast or southwest can access CO alarms.

3 Scope and objectives

Working in partnership with the Borough Councils, Selce and Thinking Works we will create a support framework that tackles fuel poverty in a co-ordinated way for households in need across South London helping those in energy crisis in the short, mid, and long term stay safe and warm.

- To provide frontline workers with a guidance tool that supports triage, the initial steps on a clients' advice journey enabling appropriate referrals into a fuel poverty expert team (extending and existing service to the Southeast)
- To provide an energy advice service which is consistent and year long, with a focus on Lewisham, Greenwich, Bromley, and Bexley where funding gaps are greatest
- To provide a Heat Doctor service that delivers in home energy interventions to help reduce energy consumption
- Access to emergency fuel vouchers – gap funding focus on Southwest London
- CO alarms and safety advice in both Southwest and Southeast London
- Interpreter services in both Southwest and Southeast London to enable us to provide advice to the diverse linguistic communities in South London

This programme aims to address the gaps in service provision ensuring that all south Londoners who are in fuel poverty have access to long term wrap-around support.

- **Outreach Officer and Frontline worker training:** This programme would create and build on existing referral networks of community and voluntary sector organisations. The focus will be on building relationships with community and faith groups that work with marginalised groups. This includes groups that serve black minority ethnic groups, disability or carers organisations and migrant support groups. We also aim to build relationships with faith communities particularly focusing on Mosques, Gurdwara and Temples. The Outreach Officer will hold workshops and pop-up energy cafes and generally work to build a community of practice for frontline staff with the aim of enabling Selce to work with our community and faith sector to jointly support our community and voluntary sector. They will write a monthly newsletter for groups that are part of referral networks, host workshops that

³ <https://data.london.gov.uk/blog/the-rising-cost-of-living-and-its-effects-on-londoners/>

provide energy saving tips and host stalls as part of community events. They will hold pop-up energy cafés and train frontline workers

- **Funding for the first steps:** The first steps on an advice journey for clients in Southeast London include Priority Services Register sign ups – water and energy; Energy market advice; energy efficiency behavioural advice. This programme will fund provision of this advice where there are gaps in service provision across South London over the next two years. Advice will be delivered in a variety of contexts: at energy café's, in warm hubs, by phone and as part of home visits
- **Heat Doctor Service:** The Heat Doctor will provide services that improve the efficiency of boilers.
- **Access to emergency top-up vouchers:** This programme will provide funding for emergency fuel vouchers for prepayment meter clients.
- **CO safety and awareness:** This programme will fund carbon monoxide alarms and provide advice on carbon monoxide safety.
- **Translation services in both Southwest and Southeast London**

The work will be delivered through a mix of volunteers and trained employed advisers.

4 Why the project is being funded through the VCMA

This project will provide support to residents in energy crisis, providing access to key support services including carbon monoxide safeguards, interventions that address fuel and water poverty and broader safeguarding and wellbeing services including the PSR, whilst delivering a positive Social Return on Investment. 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 Thinking Works

Stakeholder Support:

During the summer of 2022, Thinking Works engaged 43 partner organisations across Southwest London including Citizens Advice Bureau, Age UK, Food Banks, and many other local organisations to get their feedback on the service as a referral partner and what they would like to see in the future. Feedback was overwhelmingly positive with 100% of respondents scoring Thinking Works 8 or more out of 10 for quality-of-service provision. What partners did want to see is increased speed in the referral process and more presence at community events. Taking onboard this feedback, we designed and created a referral survey app that volunteers and frontline workers can use to collect core data required to access for grants and onward support and employed a dedicated outreach officer to engage residents in CORE20 areas across the subregion. Demand for fuel vouchers during Autumn 2022 has been 5 times higher than last year and partners voiced concerns that we would run out of provision before the end of winter which is a tangible risk if no additional funding is forthcoming.

Customer Support:

Thinking Works collects feedback from service users via our app, from online feedback forms, paper feedback forms sent directly to the Council, and via a Quality Calls programme where 5% of service users are called each summer to check satisfaction. Feedback from 311 service users gave Thinking Works a 97% out of 100% satisfaction rating. Feedback respondents were asked if there were any service improvements that wanted to see, and comments included additional funding for fuel vouchers and heating system inspections by an engineer.

5.2 SELCE

Selce collects client feedback at the end of their advice journey through a survey. Participation is optional but over the past year just over half of our clients (545) have participated. They rated the quality of the service on

average 9.9 out of 10. When asked about the impact of the energy advice they had received, 94% indicated that they were more confident about managing their energy and 92% felt more confident about staying warm in their home (options less confident/ more confident/ about the same). In the past year clients have saved on average £343. When we use some conservative assumptions to assess the long-term impact of advice, we have calculated that the 3-year savings total is £564.12. Selce participated in some research by the University of Bristol, this indicated that the average social return on investment (excluding the impact of any funded major measures) is £9 for every £1 invested⁴

5.3 South London Healthy Homes

South London Health Homes is a strategic partnership that aims to work together to tackle fuel poverty in SE London. All local authorities in South London (apart from Croydon) form part of the partnership which is led by the London Borough of Lewisham. Selce, Thinking Works, Charlton Athletic Community Trust, and Groundwork London are the delivery partners. The aims are to coordinate fundraising and delivery. The GLA provide some funding through their Warm Homes Advice Service for the partnership and fund some delivery of energy advice across South London. All partners meet to share knowledge and expertise and work together to ensure that support is provided to those most at risk of living in a cold and unhealthy home.

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

Sharing our top 5 scenarios with our stakeholders during our engagement workshops, they agreed that providing essential emergency funding for customers in vulnerable circumstances should remain one of our top priorities, helping our most vulnerable customers in relation to affordability. In addition, our stakeholders wanted to see us approach affordability broader than 'gas', as customers who face financial hardship need support with all their utilities, and water, gas and electricity should be approached as essentials services.

5.5 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 is flexible to deliver the required support to those in need this winter. In 2021 our strategic steering group re-iterated the vital impact we could have by co-ordinating our activities with others to support those most in need, those most impacted by the cost of living and energy cost crisis.

6 Outcomes, associated actions, and success criteria

6.1 Outcomes

The partnership will support community engagement for residents within South London at a time of increased need. The ambition of this programme is to provide 4903 vulnerable households with support that will help customers feel safe, warm, and well, as well as providing a community resource that supports those in energy crisis with access to skilled case workers who can provide tangible and enduring help.

The partnership will be embedded to work collaboratively to address the barriers households face to maintaining a safe and warm home now and in the future.

The partners provide the following outcomes for South London residents and community groups.

- Be provided with current information on the help available in South London over the next two years and offered access to crisis support should they need help to maintain a safe and warm home.
- Be offered access to advisory services designed to increase household income and keep safe and warm this winter.

⁴ <https://research-information.bris.ac.uk/en/projects/capturing-the-value-of-community-energy>

- Be supported to access help around critical primary needs, energy and food poverty, debt support and onward referrals to additional financial capability support where needed.
- Be supported to join the Priority Services Register where eligible - providing them with the security and support they would need in the event of an unplanned outage from all their regional utility companies.
- Be more aware of the risks of Carbon Monoxide and how to mitigate these.
- Be assessed for eligibility for free retrofit schemes to receive longer-term cost saving measures.

6.2 Outputs

Outputs or deliverables will be as follows:

- customers will benefit from attendance at an 'energy saving top tips' workshop, warm hub, or event where there is a stall providing energy saving advice in the community
- frontline workers or volunteer energy champions will be trained to recognise fuel poverty and provide some high-level interventions or money saving advice including triage where needed into an energy advisory service
- households will receive one-to-one advice in the context of an energy café or telephone advice session including the provision of non-English speakers who will benefit from an interpreter
- prepayment meter fuel vouchers will be distributed to those in energy crisis
- households will benefit from a Heat Doctor appointment. The Heat Doctors will provide essential heating system maintenance and simple repairs such as bleeding radiators, repressurising boilers, cleaning the sludge from radiators and adjusting the flow control.

6.3 Success Criteria

We are working together to provide trusted information to households in South London, 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 the impact of our programme we will monitor outcomes of those using the services provided by capturing data on who is using the service including demographics, vulnerabilities and needs.

Our targets are as follows:

- 4903 households provided with winter resilience, PSR and energy advice information
- 364 customers provided with energy advocacy services
- 1275 customers provided with advice about energy efficiency measures
- 456 customers assisted to sign up to the Priority Services Register
- 1248 customers provided with support to make boilers / heating systems more efficient
- 4,903 customers provided with CO safety awareness discussions
- 579 customers provided with CO alarms
- 1300 customers provided with access to crisis food / meal support
- 1300 customers provided with energy crisis support – fuel vouchers
- 210 frontline community representatives provided with the tools to identify, triage, and refer customers on where needed for energy advocacy services / in home measures are required
- 140 customers assisted via interpreter / facilitated service for those unable to communicate in English

Update May 24

- 1,900 total customers provided with CO alarms (1,321 additional from above)

7 Project partners and third parties involved

- SGN – regional gas network providing programme funding for the energy and benefits advisory services, fuel vouchers, carbon monoxide alarms and Locking Cooker Valves where identified as required
- Regional networks - we've invited the regional electricity and water networks to collaborate with this programme, this is being reviewed at this time
- Thinking Works and Selce – delivering the provision of energy training and advisory services including home visits, heat doctor visits and community workshops / events. The team will also provide crisis funds via energy vouchers for eligible households and distribute CO alarms into homes
- GLA and 11 Borough Councils – in addition to existing funding pathways for energy advisory services and energy efficiency measures will provide referral pathways for those in energy stress into the delivery partner network
- Local Foodbanks, London Fire Brigade, and the network of South London Social prescribers: Live Well Greenwich, Community Connections Lewisham, Bromley Well, Bexley Voluntary Sector Consortium

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
- Case notes that record demographics and vulnerabilities and actions taken by advisors that deliver outcomes for customers / clients
- Heat Doctor insights from reports recording issues and actions
- Feedback from 50% of one-to-one customer / clients
- Workshop participatory evaluations and Front-line worker feedback forms
- In-bound and out-bound referrals from/to partners
- Project progress management: these include monthly and quarterly partner meetings to share ideas and challenges through individual and organisational partnership case studies.

9 Scale of VCMA Project and SROI Calculations, including NPV

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 £3.10.

5-year figures		
Economic	Total cost	£369,920.50
	Total gross present value	£1,517,928.88
	NPV	£1,148,008.38
	SROI	£3.10
	Gross present value per person	£309.59

Update May 24

Adding in the cost and outcomes of the increased number of CO alarms being provided through this partnership to the SROI forecast, we have seen the SROI forecast increase to a positive net social return of £3.20.

5-year figures		
Economic	Total cost	£390,285.50
	Total gross present value	£1,639,393.97
	NPV	£1,249,108.47
	SROI	£3.20

10 VCMA Project start and end date

The project will run from February 2023 until April 2025

11 Geographic area

South London

12 Internal governance and project management evidence

Update May 24

SGN has worked alongside Thinking Works and SELCE to co-design this partnership and ensure that its ambition contributes to the delivery of our Vulnerability Strategy, the guidance from our Vulnerable Customer Steering Group and adheres to the updated VCMA governance criteria.

The SROI was externally assessed by SIA Partners using the DNO / GDN common rulebook and updated in May 24 to add in the additional cost and social value attributed to increase CO alarm provision. As detailed above SIA partners reviewed the partnership scope which was forecast at adding an additional £3.20 for each £1 invested, this will be monitored closely to ensure we adhere to the VCMA governance criteria.

SGN and Thinking Works/SELCE will meet monthly and quarterly to review outcomes, learn, share best practices, and address any delivery issues.

The PEA has been reviewed and approved by the business lead Kerry Potter and the Director of Customer Services Maureen McIntosh.