

Vulnerability and Carbon Monoxide Allowance Programme Administration

Vulnerability and Carbon Monoxide Allowance

01/06/22

*Updated May 2023

*Updated May 2024

*Updated March 2026

SGN



SGN

Your gas. Our network.

Contents

1..... Description.....	3
2..... Problem statement.....	3
3..... Scope and objectives	4
4..... Why the project is being funded through the VCMA	4
5..... Evidence of stakeholder/customer support	4
5.1 Moving Forward Together – Stakeholder Workshops held during 2018.....	4
5.2 Customer Engagement Group 2019/20	4
6..... Outcomes, associated actions and success criteria.....	5
6.1 Outcomes	5
6.2 Success Criteria	5
7..... Project partners and third parties involved.....	5
8..... Potential for new learning	6
9..... Scale of VCMA Project and SROI Calculations	6
10..... VCMA Project start and end date	7
11..... Geographic area	7
12..... Internal governance and project management evidence.....	7

1 Description

Funding GDN(s)	SGN
For Collaborative VCMA Projects:	N/A
New/Updated	Updated March 2026
Date of PEA submission:	01/06/2022 *Updated May 2023 *Updated May 2024 *Updated March 2026
Project contact name:	Kerry Potter
Project contact number/email:	Kerry.potter@sgn.co.uk
Total cost (£k)	£2,067,738.24 Company Specific + Collaborative spend for VCMA Showcase - £36,656.60 *Updated May 2023 *Updated May 2024
Total VCMA funding required (£k)	£2,067,738.24 Company Specific + Collaborative spend for VCMA Showcase - £36,656.60 *Updated May 2023 *Updated May 2024 *Updated March 2026

2 Problem statement

A dedicated team is required to support the general project coordination, management and administration of Vulnerability & Carbon Monoxide Allowance (VCMA) in the delivery of funded projects that deliver outcomes committed to in SGN’s GD2 Business Plan.

The VCMA allowance is new in GD2, it has been designed to enable the delivery of the gas networks social Business Plan commitments that safeguard vulnerable customers and increases CO awareness in the respective network areas.

The dedicated VCMA team will be responsible for delivery of SGNs Vulnerability Strategy and SGNs Carbon Monoxide Strategy funded outputs, by building a cohesive portfolio of community-based projects using both the company specific and collaborative VCMA funding allowance.

The dedicated VMCA team will be responsible for the stakeholder engagement, identification and management of the portfolio ensuring that the Business Plan commitments are fulfilled and that each initiative funded meets the requirements of the VCMA governance processes.

The team will apply a strategic, stakeholder guided approach to sourcing support projects which will include working with a range of representative community-based partners including charities and service partners with experience in supporting vulnerable customer groups. Responsibilities will also include portfolio management from initial concept to completion, the coordination, measurement, and insight sharing, as well as the delivery of the Annual VCMA report(s) and the VCMA Annual Showcase.

*Update May 2024

SGN’s stakeholders have valued external assurance and review of the VCMA portfolio to ensure that value outcomes are assessed by experts in the measurement of social impact and social value.

3 Scope and objectives

To provide a dedicated team that can administer the delivery of the Vulnerability and Carbon Monoxide allowance in accordance with the strategic ambitions of SGN and the collective GDN working groups.

Responsible for;

- Delivering a cohesive portfolio of initiatives built upon the principles of collaboration, inclusion and innovation that deliver the strategic ambitions of SGN and the collective ambitions of the Vulnerability and Carbon Monoxide GDN working group's terms on reference
- To work closely with stakeholders and review research / data to understand the current needs of customers in vulnerable circumstances and who is most likely to be at risk of CO harm or unable to maintain a safe and warm home
- To work closely with potential community partners to co-design projects that meet the strategic objectives and customer needs adhering to the VMCA governance
- To work alongside agreed and funded partners to assure delivery of agreed outputs and actively learn and support each other throughout the partnership
- To provide clear pre and during measurement assessments that clearly support and demonstrate the social value of funded projects
- To manage challenges and support the sharing of lessons learnt and best practice
- Collaboration with other stakeholders and gas networks to deliver outcomes for gas customers as demonstrated in the Annual Showcase and via the VCMA Annual Reports

*Update May 2024

- To work closely with expert organisations who can ensure that the impact of the VCMA portfolio is forecast to deliver a positive SROI and beyond forecast, delivers value for beneficiaries of the programme both end customers and community organisations.

4 Why the project is being funded through the VCMA

This project qualifies under the criteria for VCMA funding, as the dedicated roles will be one of general coordination of VCMA funded projects with a cross section of partners. The project portfolio will enable the delivery of SGN's Vulnerability Strategy and Carbon Monoxide Strategy which were formed following extensive stakeholder engagement in preparation for GD2 as detailed in SGN's GD2 Business Plan.

*Update May 2024

SGN provided detail and review of the cost to deliver value for customers and stakeholders in 2023 as part of the revised Vulnerability and Carbon Monoxide strategy.

5 Evidence of stakeholder/customer support

5.1 Moving Forward Together – Stakeholder Workshops held during 2018

Sharing our top 5 scenarios with our stakeholders during our engagement workshops in 2018, they agreed that providing support for customers in vulnerable circumstances should remain one of our top priorities. 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 essential services.

5.2 Customer Engagement Group 2019/20

Shaping our business plan to support customers in vulnerable circumstances we have committed to supporting over 250,000 vulnerable customers to use gas safely, affordably, and efficiently.

5.3 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 recommended we work with established charities that support people most in need. It is with guidance and support from our dedicated Vulnerable Steering Group that SGN has refined its Vulnerability Strategy and CO Safety Strategy and shaped the approach to effectively delivering SGNs VCMA portfolio.

*Update May 2024

SGN's VSG and ISG have been engaged in the strategic planning by providing guidance and challenge of our evolving commitments and approach to delivering the VCMA strategy and portfolio.

6 Outcomes, associated actions and success criteria

6.1 Outcomes

Through this dedicated team we will deliver SGNs Vulnerability and Carbon Monoxide Safety Strategy ensuring that customers, employees, stakeholders and partner organisations see tangible benefits and valued outcomes in line with the VCMA governance principles. This will include;

- Stakeholder engagement with SGN's Vulnerability Steering Group and other interested stakeholders
- Project sourcing and management of the portfolio of VCMA projects
- Meeting business plan commitments of supporting 250,000 households over GD2 5-year period
- Fostering broader collaboration to extend the impact of VCMA funding by engaging within other utilities in both networks and throughout UK
- Building a network of key specialist organisations which will deliver training to SGN colleagues and VCMA partners around energy safeguarding and carbon monoxide awareness which will provide support for our customers/communities around resilience and safety within their homes
- Development and enhancement of SROI measurement tools to be used consistently across utilities, in pre-assessment and monitoring of VCMA projects throughout GD2 to help networks effectively measure the value of our projects for households and communities

*Update May 2024

- Meeting revised business plan commitments of supporting at least 500,000 households over GD2 5-year period.
- Provide insights that better understand the value of the VCMA portfolio beyond SROI in the form of customer and partner impact reporting.

6.2 Success Criteria

- Delivery of SGNs Vulnerability Strategy and Carbon Monoxide strategy
- A comprehensive portfolio of VCMA initiatives in supporting customers in vulnerable situations by way of customer reach, support services provided, financial savings, social value, CO awareness sessions, PSR registrations and other quantitative and qualitative outcomes
- Comprehensive reporting and SROI validated by external specialists

7 Project partners and third parties involved

SGNs dedicated team will be working with;

- Vulnerability Steering Group
- Broader SGN business from senior leadership to frontline employees to Careline team

- Community partners to co-design and deliver a cohesive portfolio of projects and to disseminate learning
- Industry stakeholders, including Gas Distribution Networks, Distribution Network Operators and Water Providers to deliver collaborative VCMA projects
- SIA Partners – current SROI partner

***Update May 2024**

- SIA Partners and SIRIO Strategies to provide forecast SROI assessments and assurance of all SGN VCMA funded initiatives
- Evaluation Support Scotland to work with SGN and partners to assess and make recommendations on the social outcomes for beneficiaries, both customers and the organisations working alongside SGN as part of our Safe & Warm partnership network
- Sustainability First and Centre for Sustainable Energy to work with SGN to assess the impact of our portfolio on the broader community
- National Energy Action to work alongside SGN and their partners to assess the impact of interventions on the lived experience of beneficiaries using partner services to address fuel crisis / fuel poverty.

8 Potential for new learning

Monitoring and evaluation

We are tracking the delivery of our GD2 Business Plan commitments as defined in our Vulnerability Strategy and our Carbon Monoxide Strategy.

- Total number customers in vulnerable circumstances supported to use energy safely, efficiently, and affordably
- Total number of support services provided to customers in need
- Total SROI at project and portfolio level
- Employee and stakeholder feedback

***Update May 2024**

- Insights from external assurance and research commission on the impact of the VCMA portfolio on customers, partners and society

Learning

We are monitoring and evaluating the VCMA portfolio progress regularly to enable us to refine and improve our processes to deliver support to those most at risk of living in a cold and unsafe home.

We are keen to work closely from co-design and into delivery with our project partners to ensure that we are set up for success and so we can stay close to the needs of our customers through partnership sharing of insight and best practice reviews.

The sharing of learning and development of social measurement tools openly to continually support the pre-assessment and understanding of how best to value and make strategic decisions where a positive social impact is the key outcome.

Our learnings will be shared throughout the duration of the project, through our partnership networks, in our annual report and at the VCMA annual showcase event.

9 Scale of VCMA Project and SROI Calculations

The social return on investment is reflective of the portfolio of VCMA initiatives delivered directly by SGN and in collaboration with the other GDNs.

Update March 2026 – This PEA has been updated to reflect the final and complete costs for the duration of GD2.

10 VCMA Project start and end date

April 2021 until March 2026

11 Geographic area

SGN's network areas in England and Scotland

12 Internal governance and project management evidence

***Update March 2026**

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