

Communitas Energy (CE) – Fuel Poverty Advisory Service (Home Heating Hub)

Funding GDN(s)	Northern Gas Networks
For Collaborative VCMA Projects:	Role of GDN(s) N/A
Date of PEA submission:	March 2024
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Total cost (£k)	*detailed separately
Total VCMA funding required (£k)	*detailed separately

1. Problem(s)

Communitas Energy (CE) is a regulated not for profit Community Interest Company. With over 35 years' combined experience providing sustainable energy solutions, CE are experts in delivering gas connections and renewable technologies to householders.

CE is licensed by Ofgem, the Energy Regulator, to operate as an approved partner to aid the delivery of Fuel Poor Gas Network Extension Schemes (FPNES). They have been working in partnership with Northern Gas Networks (NGN) since their inception and have achieved many great things together.

CE work closely with our partners and clients throughout the UK to deliver a range of professional services in the energy sector. An area of specific expertise is harnessing funding for those in fuel poverty. CE is committed to working closely with private and public organisations to better meet the energy needs of customers and communities.

There is not a one stop 'shop' for customers within the NGN region to access independent energy advice and help for households make informed decisions about their energy upgrades and costs.

Solution

This project provides a one-stop support service for vulnerable and low-income customers contacting NGN and/or other selected organisations, to be referred for an expert, impartial, 'keep it simple' home heating assessment and support to install a funded air source heat pump heating system and to access other wrap-around beneficial measures and advice.

Single organisation and touchpoint to offer centralised access and support across the entire NGN network area, underpinned by CE knowledge, experience and relationships with local authorities and other local organisations to deliver regional support. Helping the customer to understand complex information in simple terms and supporting them through their journey.

The service will continue to support the customer through the journey for each action, acting as a trusted and supportive coordinator to help keep it simple for the customer and to ensure they have the greatest chance of successfully gaining the benefit from each action. The journey will end once the customer has satisfactorily completed all agreed actions and we have gained an understanding of the outcomes.

2. Scope and Objectives

Customers will be sourced via referrals from NGN and other key partners, as well as direct customer enquiries. If FPNES continues to be available, following a FPNES enquiry/assessment it may be beneficial to refer into this VCMA service to explore an alternative heating outcome to mains gas.

Once initial engagement has taken place, for those wishing to proceed, a comprehensive heating-focused needs assessment will be completed; to understand what the customer is hoping to get help with, and by gathering information about their/the household and property circumstances and undertaking a technical process to check eligibility for different schemes and to consider retrofit suitability for hard measures, a range of suggestions will be made via a personal action plan.

Each action plan will then be discussed with the customer over the phone and then emailed or posted. The aim will be to help ensure the customer understands, in simple terms, what the measure is, how it could benefit them and if applicable what scheme/partner we'd work with to help deliver each measure/action.

The primary focus for the service will be to focus on higher value renewable heating and energy efficiency measures with 'soft services', such as advice and information as a secondary focus, but included so as to not miss the opportunity to engage the customer in other relevant support if not already accessed, including if the outcome, e.g., from a benefit check, could aide with eligibility for a primary heating and/or insulation measure.

2.1 The objectives of this initiative are:

- CE will endeavour to provide an initial response to customer enquiries within 24 hours or by the end of the next business day.
- To reduce fuel poverty
- To provide CO awareness and advice
- To increase awareness and registrations of the PSR

2.2 Scope

KPI's:

- Attempt contact with 100% of customer enquires/referrals received (**720 per year**)
- Full Needs Assessment completed – *for customer & property, inc. commission new EPC if needed* - receipt required for evidence of each EPC undertaken – **648 customers** (90%)
- Air Source Heat Pump heating system installation enabled – *via CE supply chain or working with trusted partner; Local Authority scheme to take priority* – **32 customers** (5% of 648)
- Solar PV system installation enabled – *as part of the same heat pump scheme or other Local Authority scheme* – **32 customers** (5% of 648)
- Insulation measure installation enabled (LI, CWI, SWI) - *as part of the same heat pump scheme or other Local Authority scheme* – **162 customers** (25% of 648)

- Energy advice enabled - *via referral to Green Doctor or other NGN/VCMA funded project as priority – 486 (75% of 648)*
- Benefit maximisation check enabled - *via referral to Stockton & District Advice & Information Service NGN-funded project - 324 customer (50% of 648)*
- Financial/problem debt (inc. fuel debt) related advice/support enabled – *via referral or signposting to StepChange or other similar – 65 customers (10% of 648)*
- PSR eligibility check carried out/sign-ups – *carried out directly, not referral – 97 customer (15% of 648)*
- CO awareness information provided – **324 customers** (50% of 648)

3. Why the Project is being funded through the VCMA

This project qualifies under the criteria for VCMA funding, as it will support vulnerable customers who are living in financial hardship and fuel poverty across the NGN region, as well as raising awareness of CO and the PSR. As the project has financial hardship themes, it aligns with NGN'S Vulnerability Strategy too.

There will be no collaboration from other GDN's nor other funded sources.

3.1 Eligibility criteria

- This project has a positive SROI
- This project will support NGN's Vulnerability Strategy by aligning with the Financial hardship theme and the wider vulnerability categories of:
 - Financial hardship
 - Accessibility, including language
 - Socio-demographic
 - Cultural
 - Mental Wellbeing themes
- Has defined outcomes as required
- Goes beyond NGN's licence obligations and price control funded mechanisms

4. Evidence of stakeholder/customer support

Within the Northern Gas Networks region, we serve 2.7 million gas-using households. The socio-economic characteristics of our region mean that we operate in many communities that are amongst the most economically deprived in the whole country. This was a key factor in our prioritising engagement with vulnerable and hard-to-reach groups of customers, telling them about our services, about what we do and how we could improve.

Each year, we undertake analysis of all the insight we've heard in the previous year to prioritise those issues our stakeholders most want to engage on. Over the past 12-18 months, we've done this in a number of ways.

4.1 Customers in Vulnerable Situations (CIVS) Workshops

Asking our stakeholders what's important – using our wide range of engagement mechanisms from strategic workshops to customer perceptions, we asked stakeholders to prioritise what is most important to them. Since 2019 we've held regular workshops with our stakeholders, on the subject of Customers In Vulnerable Situations (CIVS). This ensures that we are well informed to address the needs of customers across our network and through collaborative projects.

Stakeholder engagement throughout 2022, told us that fuel poverty and the choice between heating and eating is becoming more prevalent. The energy and cost of living crises have further compounded this issue. This project provides a solution to helping those customers who are financially struggling and need extra help to address energy affordability. The project fully aligns with the need to help vulnerable customers in fuel poverty.

Recent social indicator mapping research carried out in June 2022, indicated that Bradford, Hull, Scarborough, South Tyneside, and Sunderland were the top five places, to emerge as having the greatest concentration of vulnerabilities within NGN's network. This was based on a combination of the following vulnerability factors:

- Fuel poverty
- Benefit claims
- No qualifications
- Long term health problem / disability

Our most recent stakeholder engagement during 2023 has informed us that financial hardship is still a key area of focus, alongside the health impacts associated with, or exacerbated by, living in cold and damp homes. Stakeholders also told us that increasing capacity for support within services would be key to addressing the immediate and longer term impacts of fuel poverty and energy affordability. This project addresses this need and ensures additional capacity to support households who may be at risk, through a well-established and trusted advice service.

Each year we use our annual Customer Perceptions Research to understand the priorities of our customers. Amongst a set of general tracker questions i.e., same questions that are asked year on year, the evidence in the most recent research (March 2023), indicated that keeping bills as low as possible ranked more highly, than providing a safe and reliable supply of gas. This is a clear indication, as to how concerned customers are about the cost of energy and the subsequent impact this will have on other bills. Customers were also asked to prioritise the list of vulnerabilities listed below:

- Mental wellbeing
- Rurality
- Temporary vulnerability
- Physical challenges
- Financial Hardship

This was the order of priority from the customers surveyed:

- Financial Hardship
- Physical challenges
- Mental wellbeing
- Rurality
- Temporary vulnerability

Financial hardship continued to be the dimension of vulnerability that most customers prioritised, with more customers in the most recent survey selecting this as their top priority. Physical challenges were second, closely followed by Mental well-being third. Rurality and Temporary vulnerability were ranked fourth and fifth.

Very recent (Autumn 2023) Bespoke Vulnerability Stakeholder Mapping research identified categories of stakeholders that are hard to reach, this included:

- People living with a disability
- Senior citizens with long term conditions
- Pregnancy and maternity
- Mental health

Health conditions which are prevalent in the NGN region are:

- Cancer and chronic kidney disease
- Musculoskeletal conditions
- Respiratory
- Mental health

Through the research carried out, the findings show that the 5 original NGN vulnerability categories have now evolved to 10 categories. These are:

- Physical challenges, inclusive of communication issues, physical space
- Mental wellbeing
- Financial hardship
- Temporary vulnerability – including post hospital recovery and pregnancy / maternity
- Socio Demographic
- Household composition
- Rural Vulnerability
- Accessibility Including language
- Medical Dependant on Energy
- Cultural

4.2 The Independent Stakeholder Group (ISG)

This group provides an independent oversight into the actions we take to support our customers in vulnerable situations (CIVS). Checking we've got it right – using a range of engagement mechanisms to assess and challenge our response to stakeholder feedback, ensuring we are responding in the right way. This has offered us robust challenges into how we deal with customers in vulnerable situations which meets the needs of our stakeholders.

4.3 Vulnerability Strategy AAA Framework

Within our vulnerability strategy we have developed, with the help of our stakeholders, the 'AAA' framework. This helps us support our customers in vulnerable situations. Awareness, Accessibility and Action. By adapting this principles-based approach into our AAA framework, we will ensure that all customers are treated fairly and consistently. The themes of rural and financial vulnerability within the project, align to NGN's Vulnerability Strategy.

5. Outcomes, associated actions, and success criteria

5.1 Outcomes

- Attempt contact with 100% of customer enquires/referrals received (**720 per year**)
- Full Needs Assessment completed – *for customer & property, inc. commission new EPC if needed* - receipt required for evidence of each EPC undertaken – **648 customers** (90%)
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- CO awareness information provided – **324 customers** (50% of 648)
- Refer 300 customers onto the PSR
- Provide CO awareness to 100+ households

5.2 Success criteria

- 648 people per year will receive energy advice and support
- This project will provide a one stop support hub for customers across the NGN region
- Will provide energy-related support to consumers in vulnerable situations aimed at achieving a better energy outcome for the household
- Will provide awareness of the dangers of CO, which could help reduce the risk of harm caused by CO
- Will not fund the installation of energy efficiency measures but will instead enable access and utilisation of other schemes and funding that can provide those types of measures.

6. Project Partners and third parties involved

This project will receive referrals from a wide range of statutory and community and voluntary sector organisations as part of a multi-agency support working to jointly meet the needs of people in fuel poverty.

7. Potential for new learning

Any learning will be shared with stakeholders, including GDN's, DNO's and water companies.

8. Scale of VCMA Project and SROI calculations

This project has a positive SROI return.

VCMA Project start and end date

February 2024 – January 2025

Geographic area

Whole of the NGN Region

Approved by

Eileen Brown
Customer Experience Director