Dear Ofgem,

**RE: Call for Evidence on the Electricity Transmission, Gas Transmission and Gas Distribution Business Plans for RIIO-3**

State your organisation if responding in an official capacity **SGN’s Vulnerability Strategic Steering Group (VSG)**

State which network company/companies and which section(s) of the BP(s) you are commenting on – **SGN, Chapter 2, Chapter 3, Chapter 4**

State if your response is confidential and, if so, on what basis – **No**

Throughout GD2 as a group of strategic advisors, we’ve supporting the shaping of SGN’s business commitments and vulnerability strategy into meaningful delivery programmes. This has continued into the consultation processes that have ensured the development of their GD3 plan, which we have actively shaped and informed.

From our review of the GD3 plan, we are supportive of the proposals and the plan put forward by SGN. Points that we’d would like to draw to your attention are set out below:

1. SGN are in a unique position to identify vulnerable members of our society who require support, those who would struggle to maintain a safe and warm home but be unknown to support organisations. Over the past four years they have demonstrated that their frontline teams built trust and have the commitment and skills to offer much needed support beyond their core gas role.

2. SGN had ambitious targets to support 250,000 vulnerable customers to use energy safely, efficiently and affordably as well as support 18,000 households in fuel poverty with their FPNES. Throughout GD2 they have demonstrated that they have stayed close to the challenges and policies that face vulnerable customers, being agile and adaptive to evolving needs. We’ve seen great advocacy of vulnerable customers; in doing so they’ve helped over 500,000 households throughout GD2 period to date. This would not have been possible without the additional funding reallocated from the discontinued Fuel Poor Network Extension Scheme (FPNES) programme. It is evident there is a demand for this support and it is our belief this will only continue to increase due to wider economic pressures currently faced by society. We’re seeing that vulnerable customers who are at risk of being left behind in a fair and inclusive energy transition, are the same customer groups who are currently disengaged in the energy market and struggling to maintain a safe and warm home today. We’re of the view that a reduction in funding will only hit those struggling the most the hardest.

3. We’ve worked alongside SGN in ensuring that there is a balance between supporting customers in vulnerable situations with personal impact and providing measurable social value. In doing so external assurances provided by expertise including SIRIO Strategies, SIA Partners, Evaluate Support Scotland and National Energy Action have found that the delivery of vulnerability programmes across SGN and its established network of partnerships with charitable organisations who have benefited from skills, capacity building and funding is delivering both clearly. This has been especially clear when looking at the data of who is benefiting from the direct and partner led services.

4. SGN’s approach of working collaboratively with its Safe and Warm partnership network, regional DNOs and water providers and our VSG members is systematic, and data driven in identifying partnerships and programmes – with an ambition of working in communities that need the support the most, avoiding duplication and picking up on those most likely to under-represented or underfunded by other national and local schemes.

5. Throughout GD2 we’ve seen some great examples of collaborative working across the GDNs, in particular in work with national charities that reach vulnerable customer groups and national campaigns. We’ve also seen some great examples of what has now become standard practice across all GDNs. We’re supportive of seeing the framework of the vulnerability allowances evolving to include these standard practices into business-as-usual funding whilst still encouraging an agile use it or lose it allowance that encourages innovation and collaboration for at least 25% of this funding.

Thank you for our consideration of our response. In the current climate we’re in support of SGN’s GD3 plan that builds upon a strong foundaticnfon and aims to support more vulnerable households (at least 650,000 households in vulnerable circumstances), using the same level of funding as in GD2. Should you wish to discuss any of my points further, please contact me using the details below.

Kind Regards,

Christine Tate

VSG Chair

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