

Part 1

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Part 3

Setting out our Consumer Vulnerability Strategy and approach to partnerships, fuel poverty programmes, and ensuring that there is no-one left behind

2022-23

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Who we are

At Northern Powergrid we are proud to provide an essential service to eight million people in our region, covering an area of 25,000 square kilometres.

We take that responsibility seriously and believe that our customers should get a service that is second to none – so we provide reliable, affordable and sustainable energy solutions.

In short, our aim is to be the best at what we do.



Overview of 2022-23 submission

Part 1

Part 1 sets out our strategic approach to stakeholder engagement and consumer vulnerability and how we measure our impact.



Part 2

Part 2 sets out details of our engagement principles and strategy in action and demonstrates the impact on our business activities and outputs for our customers and stakeholders.



Part 3

Part 3 demonstrates how we support vulnerable and fuel poor customers and builds out how we are applying “no-one left behind”.





Improving our services to our vulnerable customers

In 2022-23 high energy costs and inflation have placed greater hardship on our customers in vulnerable situations, and those in fuel poverty. To offer greater support to our customers we focused on three priorities:

- Raising awareness of the PSM so more customers, especially those most vulnerable, can access our enhanced support. In recent months we achieved a 156.2% increase in direct sign-ups to the PSM in high-risk communities.
- We expanded our dedicated Priority Services team, trained to offer tailored support to customers affected by a wide range of situations.

- We doubled the size of our fuel poverty programme and strengthened our emergency response by increasing the number of generators available and by expanding our partnership with the National Caterers Association.

Our efforts were recognised by customers as shown by the UK Customer Satisfaction Index (UKCSI), an independent survey by the Institute of Customer Service that ranked us 2nd out of all utilities and 15th across over 280 UK organisations. We will continue to improve our services to deliver a positive impact on our customers' lives.



L. Lowes

Louise Lowes
Head of Customer Services

Our 2022-23 stakeholder and customer priorities

Transforming to better support our vulnerable customers

In 2022-23, the customer service directorate assumed responsibility for the services we provide to vulnerable customers. Fundamental to this change was to increase and tailor support to customers in vulnerable situations, informed by our expert stakeholders and our customers. Our priorities included:

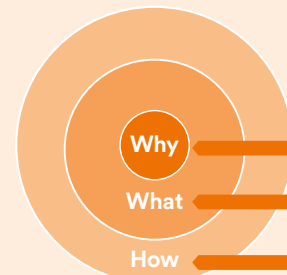
- **Emergency response capability:** We expanded our internal team with subject matter experts giving us new capability to increase our support to vulnerable customers during emergencies. We delivered enhanced operational response training to 600 colleagues, quadrupling our support so we can rapidly scale to deliver prompt and targeted service when it matters the most.
- **Winter Preparedness:** We improved our proactive Winter Preparedness communications, ensuring that all PSM customers are aware of the support available during emergencies.

- **Customer communications and experience:** These were improved in 2022-23 through a telephony system that enables our vulnerable customers to reach the same operator should they need to contact us more than once, a more streamlined compensation process and an enhanced approach to providing more accurate restoration times.
- **Collaborative welfare and storm response arrangements:** We introduced shared welfare provision needs and operational response processes across networks. For example during the recent gas event in Stannington (in Sheffield), our vehicles and colleagues supported Cadent in helping 3,000 households with no gas by providing immediate welfare support, plug-in heaters, food and drinks.
- **Onsite Support teams:** these teams are available to support vulnerable customers during significant power cuts.



Our Vulnerability Strategy was updated as part of our preparation for the ED2 period via an extensive programme of engagement with customers and expert stakeholders.

The strategy sets the overall objective for our every effort in serving vulnerable customers and spells out both the focus of our actions and the enablers that allow us to make a meaningful difference to our customers' lives. The strategy is flexible and dynamic, allowing us to respond quickly to both our customers' evolving needs, such as the cost-of-living crisis, or long-term challenges, such as the decarbonisation of heating and transport.



List of enablers

Partnerships, engagement and research, vulnerability data, skilled colleagues, social value measurement.

Our mission

Our areas of focus

The enablers

Our mission

We will provide effective and meaningful support and assistance to our vulnerable customers, driven by a detailed understanding of their needs.

Our areas of focus

Our Vulnerability Strategy is an integral part of our role as a network operator. It focuses on:

- **Delivering enhanced power cut support.** Our primary responsibility is to prevent the negative impact of power cuts on customers in vulnerable situations and promptly take any step necessary to mitigate and remove the detriment they may face during emergency situations. See pages 3-4.
- **Lifting customers out of fuel poverty.** We address the root causes of fuel poverty while mitigating its symptoms to avoid heat or eat situations. See pages 5-6.
- **Leaving no-one behind in the energy system transition.** We will ensure that all customers, irrespective of their situation, have fair and equal access to the benefits of a Net Zero energy system. See pages 7-8.

Enhancements over 2022-23

- Expanded the size of our fuel poverty programme (see pages 5-6).
- Introduced a proactive Customer Onsite Response team to

provide outstanding service during emergencies (see page 4).

- Started the recruitment of Community Energy Advisors and set up a new low-carbon transition advice service to ensure customers at risk are not left behind (see page 8).

The enablers

These include factors that allow us to understand our customers' evolving needs, deliver outstanding support, and track the impact of our actions to fuel a process of continuous improvement. There are five key enablers to our Vulnerability Strategy: Our partnerships with external organisations, engagement and research, vulnerability data (including PSM data), our skilled colleagues, and social value measurement.

Enhancements over 2022-23

- Realigned our PSM eligibility criteria with other networks and expanded our recruitment drive. 62.6% of all eligible customers are now registered to our Priority Services Membership (see page 3).
- Identified 134 new partner network members via an ecosystem study in partnership with CSE. Added 3 delivery partners and developed pilots with 3 further organisations commencing in May 2023.
- Delivered £3.9m of direct financial benefit over the past year as a result of the initiatives presented in our Part 3 submission.

How our customers and stakeholders shaped the Vulnerability Strategy

Every aspect of our vulnerability programme is shaped by in-depth engagement. Over ED1, we built a framework of independent advisory and challenge groups that leverages the expertise of our stakeholders and the firsthand experience of our customers. Through nearly 50 events, 12,089 customers and stakeholders played a vital role in developing our existing

Vulnerability Strategy as part of the RIIO-ED2 business plan. Our engagement, however, is continuous as we constantly seek opportunities to better serve our vulnerable customers. Over the past year, 1,386 engagements with the groups below have continued to shape our strategy and delivery.

Direct customer feedback

We continually engage our PSM customers to assess their satisfaction with our service and opportunities for growth.

Stakeholder Panel

A mixed group, including 'hard-to-reach' groups, established in 2018. They shape our approach to ongoing processes, such as how we engage stakeholders to shape our Vulnerability Strategy and key issues such as our approach to the cost-of-living crisis.

Customer Engagement Group (CEG)

The group was introduced in 2019 to shape and challenge our ED2 plans. It continues to play a key role in moulding

our strategic approach to addressing vulnerable customers' needs.

Future Fairness Panel

Established in 2020, the panel allows us to engage seldom heard groups and ensure that the support we offer is fit for purpose.

Community stakeholder workshops

Workshops over the past year focused on scoping the role that we could play in ensuring that no customer is left behind in the energy system transition. The results of this engagement are discussed on page 7.

SIEG

Our Social Issues Expert

Group has shaped and overseen our vulnerability and social issues programmes since 2013. It continues to track our performance, propose objectives, influence our long-term direction and raise innovation ideas. In 2022-23 they:

- Suggested ideas for innovation projects we are currently exploring, such as reducing voltage to lower bills for fuel poor households and partnering with suppliers to explore the combination of time of use tariffs along with storage heaters to fight fuel poverty.
- Advised on the likely barriers that customers may face in taking up low-carbon technologies.

Citizens Panel

The Citizens Panel allows us to talk directly to households and businesses about their needs and how our services meet them. In 2022-23 they:

- Helped us better scope the focus of our enhanced fuel poverty programme, highlighting the need for a joint approach with other partners and the need for us to spread awareness.
- Proposed steps that we could take to enhance service during storms, highlighting the need for more accurate estimates of restoration times, the presence of onsite teams and alternative contact methods.



Our primary role in addressing the needs of customers in vulnerable situations is to prevent the negative impact of supply power cuts and, when this is not possible, promptly mitigate the issues they may experience. We focus on two capabilities to deliver enhanced power cut support:

— Granular, complete and up-to-date data on the situations of vulnerability that our customers face. This data is further enriched by close engagement with customers, partners and stakeholders.

— A comprehensive portfolio of services, ranging from proactive communication to tailored practical support, to prevent and mitigate the detriment experienced by vulnerable customers during supply interruptions.

Over the past year, we have focused on refining existing capabilities and introducing new and innovative approaches to best support customers when it matters the most.

Our priorities over 2022-23

Data

Increasing the number registered to the PSM and maintaining the accuracy of the register.

Services

Maintaining and improving communication with PSM customers.

Services

Providing tailored services to deliver outstanding support during power cuts.

Focus on the PSM and our vulnerability data

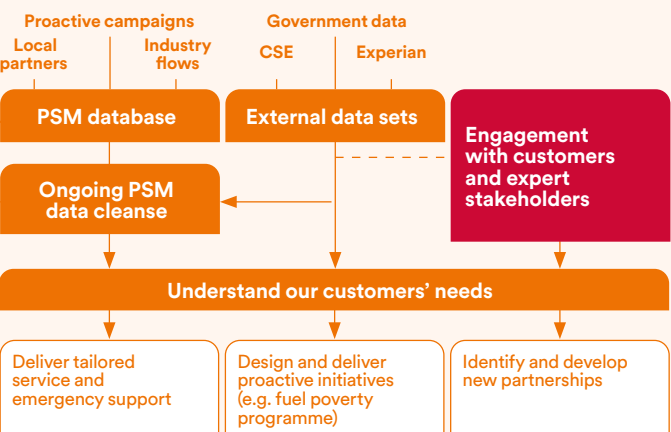
VULNERABILITY

Our ability to support customers is heavily dependent on the quality of our vulnerability data. High-quality data gives us a clear picture of what customers need, where and when and empowers our colleagues and partners to do the right thing.

Our own register, the PSM, is the cornerstone of our data strategy. Because customers need to self-select to join the PSM, we work constantly to reach eligible customers and make them aware of the extra support available to them. At the same time, recognising the importance of up-to-date data, we proactively contact customers on the PSM to ensure no record goes untouched for longer than 24 months. Going further, we paint a richer picture of the vulnerability dynamics across our communities and supplement membership data by leveraging external data sets.

All this data empowers us to put vulnerable customers at the core of our operations by feeding established processes managed by colleagues across the business, from responding to emergencies and informing our investments, to shaping our fuel poverty and 'no-one left behind' programmes.

Our Vulnerability Data Strategy



Building our PSM recruitment momentum

In the interest of consistency and comparability, we aligned our PSM eligibility calculation with other DNOs. There were three differences in our previous approach that led to an underestimation of our progress in recruiting customers to the PSM:

- Other DNOs calculated PSR eligibility at the household level while at Northern Powergrid, we assessed eligibility at the individual need level. Individual-level eligibility resulted in a higher eligibility baseline.
- Other DNOs based their eligibility calculations on a Centre for Sustainable Energy (CSE) dataset, while we relied on a more granular and recently updated dataset provided by Experian. Using the Experian dataset again resulted in a higher eligibility baseline.
- We used a more stringent set of assumptions when calculating the conversion between individual health needs and household eligibility. For example, we employed a granular research-based approach in converting individual needs to households, while CSE took the simple assumption that all households contain on average 2.1 people.

Addressing differences which overstated the number of eligible customers relative to other networks led to a considerable increase in the proportion signed up to the PSM. The 36.7% figure reported last year would now be 53.4% (a 16.7% increase). Building on this revised eligibility calculation, our successful PSM recruitment campaign has increased this figure by an additional 9.2%.

In 2022-23 we reached a total of 63% of all eligible customers on our PSM.

Stepping up targeted recruitment outcomes to the PSM

Over the past year, we scaled up our PSM recruitment efforts to enable a proactive uplift in PSM sign-ups. For example, we introduced two new engagement channels – iVans and radio adverts. These, alongside the winter campaign, have raised visibility and played a role in helping us achieve a 156.2% increase in direct PSM sign-ups year-on-year.

- iVans – vans showing imagery and playing videos to increase PSM awareness were deployed from Leeds to Sheffield and Gateshead to Newcastle. These routes cover the four areas with the highest incidence of fuel poverty in our network area (based on Experian social mapping data).
- Radio adverts – Messaging via radio streaming channels, as well as a weather sponsorship, targeted clear and actionable PSM information to a diverse and inclusive audience in highly vulnerable areas.

Benefits

Preparing for the ED2 period, we continue to look at new improved ways to reach under-represented groups on the membership. We are now setting up a working group with organisations including DESNZ, the Department of Health and Social Care and the NHS to enhance PSM awareness and recruitment of customers who are dependent on at-home medical equipment. This will address the lack of awareness among a high proportion of medically dependent customers reported by our vulnerability partners.

The benefits identified from the winter campaign include: A reduction in stress induced during power cuts estimated to provide a net benefit of -£37.0k and £18.3k over 1 and 5 years, respectively, and estimated social value of -£0.71 and £0.35 over and above every £1 spent over 1 and 5 years, respectively.



Enhancing customer resilience ahead of winter

VULNERABILITY SCALING UP D&D

Ahead of the winter period, we proactively contact 100% of our PSM customers with Winter Preparedness messaging. This has a specific focus on what to do in a power cut: Engaging with our Future Fairness Panel we understood

that the previous content, a 14-page document, was too lengthy for customers. We acted on this feedback by producing a succinct and insightful one-pager that outlines what customers should do before, during and after a power cut to protect their wellbeing.

Focus on the services we offer PSM customers before, during and after power cuts

We regularly engage customers, stakeholders and vulnerability experts to understand customers' needs and scope the optimal responses during supply power cuts. We were the first network operator to study how situations of vulnerability evolve during a power cut (captured by our vulnerability matrix, featured in our SECv submission since the start of ED1).

We know that customers value proactive, timely and accurate communication, hands-on support during longer power cuts (> 6 hours) and, in special circumstances, the ability to remain on supply during emergencies. We also know that their individual needs are shaped by unique circumstances and can change quickly. Equipped with this knowledge, over the years, we have developed a comprehensive portfolio of services aimed at delivering outstanding service for our vulnerable customers.

What it means to be a PSM customer

Direct engagement with vulnerable customers highlighted that the stigma attached to a 'vulnerability register' is a significant barrier to the growth of the Priority Service Register.

We, therefore, decided to rebrand the PSR to a Priority Services Membership, emphasizing the benefits of joining and the perception of 'community'.

Benefits

- PSM customers benefit from our highest level of service: They are proactively contacted before planned power cuts and during unplanned power cuts. This year we reached 83.7% of PSM customers off supply for more than three hours (up from 72.9% last year) and 98.7% prior to a planned power cut (up from 96.3% last year).
- They are prioritised for reconnection during unplanned power cuts. This year 86.7% of PSM customers saw power restored within 6 hours of a power cut (up from 85.9% last year), with the proportion increasing to 98.1% within 9 hours of any power cut (up from 94.1% last year).
- They have access to a wide range of communication services and practical support, presented in the section below. We have increased the number of customers supported with bespoke services during power cuts from 6,903 last year to 9,635 in 2022-23.

Our PSM service portfolio

Communication services

A range of services through which we proactively communicate regarding power cuts

Support services

A range of services through which we provide on-the-ground support

Bespoke text messages during HV/LV power cuts	Proactive needs check 48h prior	Alternative accommodation	Generation	Hot meals
Call to PSM customers off power for 3h+ (HV)	Call PSM customers off power for 1h+ (LV)	Oxygen back-up	Winter warmer packs	Red Cross referral
Additional welfare and update calls to PSM customers, after initial contact has been made	Proactive responders	Charging facilities	Customer service vans	

We reached out proactively to 64,013 customers

We provided support services to 9,635 customers

Investing in our communities to enhance their resilience

The 'soft' launch of the Northern Powergrid Foundation (covered in more detail on page 6) includes projects that enhance communities' resilience to power cuts – a key priority for our customers.

The projects bolstered community facilities, services and communication including the rapid procurement and installation of emergency generators and the provision of emergency packs.

For example we made a £20,000 grant to provide a large rural area that is prone to heavy snowfalls with generators that will enable the continued usage of internet boxes, satellite phones and gas cooking facilities during an outage. We also provided generator hook-ups and non-electrically dependent heating equipment.

A new team to support PSM customers on the ground when they most need it

Our RIIO-ED2 engagement recognised proactive, practical support as a priority for our customers. Our vulnerable customers told us that they find it particularly difficult to cope with power cuts exceeding six hours. Responding to their needs, in 22/23 we have increased onsite support during power cuts with 12 new Proactive Onsite Customer Service Responders. Their role is critical to ensure we consistently deliver 10/10 service to our customers.

These responders are working on the ground, with a target to provide onsite support for vulnerable customers who experience a power cut of more than six hours. They ensure that vulnerable customers are prioritised for help during long-duration power cuts, delivering personalised advice and immediate relief (e.g. warm drinks, food, generators, charging facilities) on an ongoing basis. The responders were deployed to tackle a gas

leak event in Stannington (in Sheffield) during which 3,000 households were without a gas supply during a very cold spell of weather. Our team supported vulnerable customers in targeted and practical ways, for example by providing plug-in heaters, ensuring a continued heating supply.

Benefits

The benefits identified from the Proactive Onsite Customer Service Responders include: Avoided cost of engineer call out, and provision of Warm Winter Packs, hot food and water estimated to provide a net benefit of £0.7m and £3.2m over 1 and 5 years, respectively, and estimated social value of £2.24 and £2.24 over and above every £1 spent over 1 and 5 years, respectively.



Fuel poverty focus

VULNERABILITY

SCALING UP

Our considerable focus on fuel poverty throughout the ED1 period was driven by the higher incidence of this issue across our region. The most recent government data shows that 14.4% of the households in the North East region and 17.5% in Yorkshire and Humber are in fuel poverty, against 13.2% of households on average across England. The cost-of-living crisis has greatly exacerbated an already difficult situation for our customers, pushing more families into fuel poverty while increasing the fuel poverty gap experienced by customers previously affected. Recent research we performed with Experian shows that the number of fuel poor households in our region has more than doubled to over 1m; this is in line with recent findings by National Energy Action (NEA) that estimated the number of households in fuel poverty to double by 2023.

We responded decisively to this crisis. Our priority over the past year has been to increase the support delivered to customers to mitigate the impacts of rising fuel poverty levels:

- Responding to our partners' feedback on the unprecedented demand for help from customers, we doubled our investment in the fuel poverty programme to empower local experts in delivering the support customers needed.
- Driven by our SIEG and our engagement with local authorities, we worked hard to ensure full regional coverage for our support services to give customers access to an extensive network of support. We also worked closely with Northern Gas Networks to map and coordinate our support for fuel poor customers to ensure a synchronized approach.

Our Fuel Poverty Strategy

Our objectives

Lift customers out of fuel poverty

Mitigate the impact of fuel poverty on customers

Prevent customers from falling into fuel poverty

Our guiding principles, driven by experts and stakeholders

Expert stakeholders said

Support must be targeted and tailored based on an understanding of needs

Local knowledge and partnerships are key to successful interventions

Fuel poverty is often interdependent on other vulnerabilities, it must be addressed holistically

The needs of an individual will vary depending on the circumstance and depth of fuel poverty

Our guiding principles

We target customers most in need through data and partner intelligence

We deliver our fuel poverty programme in partnership with local trusted experts

We address the needs of the person and their issues holistically through a portfolio of support

We tailor services to meet the individual's needs, offering bespoke support where possible

Our approach to drive impact

Direct services

In depth support offered to the most vulnerable across our network to deliver immediate impact, tailored to each individual by our partners

Targeted communication

Education, awareness, behavioural change and communications targeted to all customers in, or at risk of, fuel poverty, to enhance their resilience and preparedness to seek help and mitigate the impact of fuel poverty

Directly contacting customers with winter ready advice via the winter campaign

Tailored messaging to specific vulnerable customer groups, enabled by our Experian software

Community outreach

Targeted initiatives that address key issues at the local level in our most vulnerable communities selected via data and engagement

£100k of funding committed to our community to provide fuel poverty and broader support via the Community Partnering Fund

Providing STEM, Net Zero and energy literacy education to local schools in deprived areas via the Ahead Partnership and Energy Heroes

The extended provision of Warm Hubs in 14 of the most disadvantaged communities in our network area

Provision of energy efficiency training courses to frontline workers, removing skills blockers

Same or next day emergency financial support to 450 households struggling to top up their prepayment gas meters via the Fuel Bank Foundation

Working with Utilita on two new Energy Hubs in Hartlepool and Huddersfield

Support delivered over the past year



32,237

Fuel Poverty Support (Direct Support and Community Outreach)



239,603

Community Outreach & Targeted Communication



Key

Initiatives expanded and scaled up in 2022-23



How we expanded our fuel poverty programme partnerships

VULNERABILITY

SCALING UP

Doubling down via the Community Partnering Fund

The Community Partnering Fund has been in place for several years as a vehicle to fund community groups in our region. Its core objectives include alleviating hardship associated with fuel poverty. Over the past year, we increased our funding from £50,000 to £100,000. We doubled our investment in response to the cost-of-living crisis while making up for the gap left by our previous funding partner. The additional support was critical to our communities as evidenced by the fund receiving a more than two-fold increase in applications.

York Community Energy was among the many organisations funded. They are a community benefit society whose aim is to reduce York's carbon emissions by both saving energy and generating community-owned renewable energy. Our funding enabled the provision of advice and handholding to households in York in all aspects of managing and reducing energy bills and provide a free service for vulnerable and low-income householders.

Expansion of our Green Doctor partnership

We scaled up the successful Green Doctor initiative. This helps thousands of households save money on their energy and water bills, providing tailored advice on making homes more energy

efficient (including via home visits) as well as support with accessing grants.

This year we expanded the initiative to combat the cost-of-living crisis in Darlington, an area identified by our social mapping data as hardest hit by rising food and energy costs.

During September-October 2022, we co-funded 48 Green Doctor sessions operated by The Bread and Butter Thing (TBBT) – an affordable food charity – to support an estimated 3,600 customers in gaining access to invaluable energy-saving advice at TBBT hubs. This was the first time these two groups had worked together. Green Doctor also visited 37 homes in Darlington to carry out energy audits and provide bespoke advice – almost double the number of home visits they would typically hold over the same period.

Benefits

The benefits identified from the Green Doctor partnership include: Financial and carbon savings from energy efficiency measures and financial savings and mental health benefits from income maximisation advice estimated to provide a net benefit of £145.9k and £147.7k over 1 and 5 years, respectively, and estimated social value of £1.41 and £1.43 over and above every £1 spent over 1 and 5 years, respectively.

Northern Powergrid Foundation kick-off launch

VULNERABILITY

COLLABORATION

The Northern Powergrid Foundation was established in 2022, carrying a £7.69m commitment to fund communities in our region. The Foundation was established in agreement with Ofgem in relation to storm response; through it we are developing an enduring approach to support our local communities through grants and donations. It serves as a crucial platform for us to deliver impact in alignment with our core areas of focus. From late 2022 to early 2023, there was a 'soft' launch during a set of briefing sessions on Winter Preparedness which were attended by MPs, Civic Leaders and Council Leaders from the constituencies most heavily impacted by recent storms. This proactive engagement enabled the Foundation to award 43 grants in Northumberland and Durham that will enhance local resilience and address fuel poverty across communities that host 78,426 customers. This is just the start – we have launched the Foundation on the front-foot in areas that need it the most

and look forward to expanding it over the coming years. This is one of many facets that supports our aim to be a force for good.

Among the projects funded to address fuel poverty we have supported the provision of advice and support programmes, the creation of crisis and warm hubs, and secured energy resilience at community centres which focus on supporting vulnerable customers. Example projects include:

- A £16,956 grant provided for the development of a crisis hub to provide resilience to customers in vulnerable circumstances. The application includes the installation of a battery and back-up generator, as well as the addition of cooking facilities to enable the serving of hot food.
- A £18,485 grant provided for the installation of solar panels to supplement the high rising energy costs to a community centre which focuses on supporting vulnerable customers with a community shop and café.

Ensuring that all customers across the network could access the full range of support available

COLLABORATION

SCALING UP

The SIEG, and LAs in our network region, suggested that some of our partnerships should be made available to more customers across our network region.

Responding to this feedback we expanded our flagship partnership with Citizens Advice to three new areas, Sheffield, Hull & East Riding, and Northumberland, and set up pilots that will extend our support to Stockton and North Yorkshire from May 2023.

Our funding over the past year led to the creation of over 18 additional independent 'Powergrid Care Advisors' who are trained to help people when it comes to changing their supplier, checking tariffs, solving bill issues, progressing concerns with their chosen supplier and accessing debt or benefits advice to help maximise their income. We are also funding telephone services so that local people can access both advice over the phone and face-to-face support.

Benefits

The benefits identified from the Citizens Advice partnership include: Financial and carbon savings from energy efficiency measures and financial and carbon savings from behavioural changes estimated to provide a net benefit of £2.4m and £2.7m over 1 and 5 years, respectively, and estimated social value of £3.58 and £4.02 over and above every £1 spent over 1 and 5 years, respectively.

Direct fuel poverty support over the past year

12,211

Northumberland, County Durham, Tyne & Wear

- Citizens Advice (CA)
- Green Doctor
- Barnardo's
- Community Partnering Fund
- Ahead Partnership
- Energy Heroes

2,200

Teesside

- Citizens Advice
- Green Doctor
- Community Partnering Fund
- Ahead Partnership
- Energy Heroes

10,913

West Yorkshire

- Citizens Advice
- Green Doctor
- Community Partnering Fund
- Ahead Partnership
- Energy Heroes

3,644

South Yorkshire & North Lincolnshire

- Citizens Advice
- Green Doctor
- Community Partnering Fund
- Fuel Bank Foundation
- Ahead Partnership

1,673

Humber

- Citizens Advice
- Energy Savings Trust
- Community Partnering Fund
- Ahead Partnership



Ensuring no-one is left behind in the transition to Net Zero



Part 3

The transition to Net Zero poses both risks and opportunities for customers. It is essential that the opportunities it presents can be accessed by everyone for the transition to be just and equitable. Many of our customers, even those who may not view themselves as vulnerable, are at risk of being left behind in the transition to Net Zero.

We have an essential role in lowering participation barriers and supporting customers in overcoming the existing barriers.

We have worked closely with customers and expert stakeholders to develop a strategy that will ensure that none of our customers are left behind on the decarbonisation journey, and that the shift to Net Zero is made with awareness, affordability and accessibility.

Over the past year, we leveraged our embedded Vulnerability Strategy to build up our capacity and capability to support customers throughout the energy transition and gear up for our ambitious ED2 targets.

Our 'no-one left behind' strategy

INNOVATION VULNERABILITY

Our 'no-one left behind' strategy is modelled after the 'Leave no-one behind' transformative promise, one of the core tenets of the United Nations' 2030 Sustainable Development Goals. The strategy is structured on a four step process that guides our efforts, from understanding the risk that customers face, to delivering targeted support and measuring its impact.

We leverage the enablers developed as part of our broader Vulnerability Strategy to turn plans into impact. The strategy is in constant evolution, first introduced in 2021 via engagement with our SIEG and Future Fairness Panel, we have continued to refine and develop it as our position as a company and an industry matures.

	Objective	Our approach, powered by embedded strategy enablers
Who is left behind?	Identifying customers and communities at risk of being left behind	<p>Engagement & Research – engage customers, stakeholders and issue research to understand what makes customers more at risk of being left behind, identify those most at risk, and understand how they are impacted in practice.</p> <p>Data – use sophisticated demographic, financial and social data sets to identify customers and communities most at risk of being left behind.</p> <p>Partnerships – test the insight provided by our data analysis with expert local partners who can verify the findings and offer lessons to enhance our support.</p>
Why are they being left behind?	Understanding the drivers that increase the risk of being left behind and the barriers faced by customers and communities	<p>Engagement & Research – engage expert stakeholders, customers and partners to identify and refine the interventions that are most impactful in preventing customers from being left behind.</p> <p>Social Value Measurement – use the SROI model to forecast the impact of interventions and identify the most effective solutions.</p> <p>Partnerships – leverage our network of partnerships to deliver support tailored to customers' needs and targeted to at risk areas.</p>
What should be done to prevent customers from being left behind?	Scoping and developing projects, programmes and initiatives that we can deliver to ensure all customers benefit from the transition	<p>Engagement – develop relevant impact KPIs with our strategic stakeholders.</p> <p>Partnerships – work with our local partners to track the results of the support delivered.</p> <p>Social Value Measurement – the evidence gathered from partners allows us to measure the impact delivered and refine our approach to forecasting impact.</p>
How do we measure impact and monitor progress?	Gathering evidence on the outcomes achieved by our programmes and the practical impact they had on customers	

Understanding what drives the risk of being left behind

We have engaged with thousands of customers and stakeholders during the ED2 business plan process to shape our understanding of the factors that put our communities at risk of being left behind. Continued engagement will be critical to ensure we continue to understand and respond to a challenge that will evolve as the energy market transforms in the coming years; this year our SIEG and Community Stakeholder Workshop stakeholders have contributed to our understanding of this issue. We know that:

- Customers typically face barriers of the following type: affordability, accessibility, usability and knowledge.
- Barriers are consistent across consumer groups but are exacerbated by particular vulnerable circumstances

(e.g. old age, disabilities) and the customers' environment. For example, rural customers face a unique set of challenges, with poor broadband that acts as an obstacle to engagement with the market via digital channels, and the lower quality of supply.

- The barriers are often overlapping and if a customer experiences one, it is likely that they will experience several. It will take a plan that tackles several areas at once to meaningfully prevent customers from being left behind.
- Decarbonisation is, for many, a mid to long-term customer journey which requires multiple points and types of intervention.

Ensuring no-one is left behind in the transition to Net Zero



Part 3

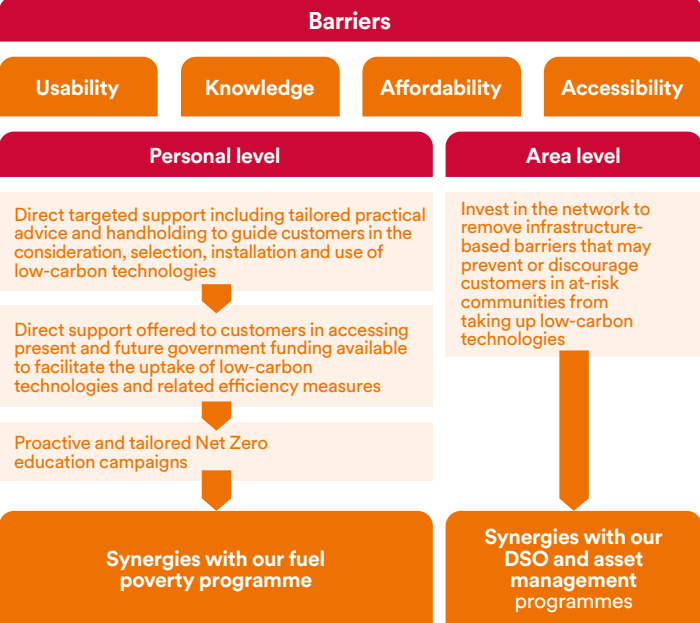
Supporting all customers in embarking on their decarbonisation journey over the past year INNOVATION VULNERABILITY

In line with our 'no-one left behind' strategy we have developed a portfolio of services, support and initiatives that we will increasingly deploy to support customers in the energy system transition. This portfolio is designed to directly address our understanding of customer needs and the barriers they will face in participating in evolving energy markets.

We recognise that the barriers faced by our customers could be categorised as personal and area-driven. Factors such as knowledge (e.g. the understanding of technologies and their operation) are intrinsically individual while others, such as accessibility driven by the state of the infrastructure (e.g. broadband or the electricity network's quality of supply), are determined by the area in which customers live and work. As such the portfolio of support we are developing for the ED2 period includes both personal-level and area-level interventions.

Our customers and stakeholders tell us that for our support to be meaningful and leave a lasting impact it will need to be:

- Delivered through trusted channels and partners
- Communicated in plain English and easy to understand
- Tailored to specific needs, personalised where possible
- Offered at key points in customers decarbonisation journeys.



Area level support: Removing barriers for customers in areas at risk of being left behind

INNOVATION COLLABORATION D&D

- Local Area Energy Advisors support local authorities in our network area on the development of Local Area Energy Plans (LAEP). Leveraging our data and expert knowledge, we collaborated with Newcastle City Council and Kirklees Council to identify the network capacity for low-carbon technologies. This will facilitate the adoption of LCTs and allows the councils to develop strategic decarbonisation plans that we will can align with and support.
- As part of our engagement with Northumberland County Council they highlighted that uncertainty on which of their off-grid properties should have a connection is a pain point.

We supported them with data to accurately predict which of their off-grid properties should be connected, identifying 230 properties as eligible.

- Through the 'Rural Electrification 2.0' we are working towards ensuring that farmers in our region have equal access to LCTs. We engaged with the National Farmers' Union to understand the impact of decarbonisation on the agricultural sector to identify, mitigate and remove barriers. This project will increase understanding of the technologies or business models that have potential in rural communities and how these will impact the distribution networks.

Personal level support: Community Energy Advisors

We are currently recruiting a team of six Community Energy Advisors, each of whom will be assigned to a region in our network region. Focusing on our most vulnerable customers,

they will guide people through the LCT journey, thus combating a lack of knowledge, understanding and willingness to take risks, ensuring no-one is left behind in the transition to Net Zero.

Personal level support: Citizens Advice Stockton

SCALING UP

We are partnering with Citizens Advice in Stockton (covering both Stockton and Middlesbrough), two of our most deprived communities, to provide LCT advice and support to 800 customers who face barriers to accessing LCTs (e.g. economic deprivation and fuel debt). They will receive in-person advice and information on the range of LCTs available, and will be supported in their adoption to the point of installation. Tied to this pilot, we will upskill other Citizens Advice offices in our region to ensure this support is available across all areas.

Benefits

The benefits identified from the Citizens Advice Stockton partnership include: Financial and carbon savings from energy efficiency measures and financial and carbon savings from behavioural changes estimated to provide a net benefit of -£10.9k and £45.2k over 1 and 5 years, respectively, and estimated social value of -£0.34 and £1.41 over and above every £1 spent over 1 and 5 years, respectively.

Personal level support: LCT advice by YES Energy Solutions

INNOVATION

We are piloting the provision of LCT advice over the phone to 500 highly vulnerable customers across our network – ensuring a region-wide approach. This is conducted via a two-tiered programme of support. First, expert advisors will present an overview of the solutions available to customers while gaining a deeper understanding of the barriers they face. Then all customers will be offered a personalised and tailored assessment as a result of which they will receive a readiness report setting out next steps and the funding support available. By May we expect to have supported 50 customers.

Benefits

The benefits identified from the YES Energy Solutions partnership will include: Financial and carbon savings from LCT measures estimated to provide a net benefit of -£35.3k and £34.0k over 1 and 5 years, respectively, and estimated social value of -£0.66 and £0.63 over and above every £1 spent over 1 and 5 years, respectively.

Enablers power our ambition to deliver outstanding services



Part 3

Our Vulnerability Strategy is supported by five key enablers: partnerships with external organisations, engagement and research, vulnerability data, our skilled colleagues, and social value measurement. These enablers are fundamental to our strategy as they enable us to understand, target, deliver and

measure every initiative aimed at supporting our vulnerable customers. Reflecting their importance, we have continued to invest in the development of these capabilities. In this section we explore the growth of our approaches to partnerships, vulnerability training and social value measurement.

Partnership Strategy – our ‘stronger together’ approach

OPOC

COLLABORATION

AID

Our partnership strategy – ‘stronger together’ – was refreshed in 2021 in collaboration with our Future Fairness Panel, representing customers experiencing a range of vulnerabilities, our SIEG, and stakeholder panels. This approach recognises the critical importance that local expertise, trust and capabilities will play in delivering lasting impact to vulnerable customers and meeting our ambitious RIIO-ED2 vulnerability targets. Given its critical role in our vulnerability programme, our ‘stronger together’ approach is always evolving; over the past year we focused on increasing our support for local partners to handle the surge of demand for fuel poverty support and to expand our network to include partners who could handhold our vulnerable customers through their decarbonisation journey while delivering immediate benefit and protecting their welfare.

Delivery partners

SCALING UP

Support in achieving our goals and delivering projects, training or services on our behalf. These include Citizens Advice, Green Doctor, and YES Energy. Our end-to-end approach to our delivery partnerships is presented in the diagram at the bottom of this page.

Industry partners

Work cross-utility and other DNOs to deliver improved services for our shared customers, including energy suppliers, NGN, Cadent, Yorkshire Water and Northumbrian Water.

Referral partners

Refer customers to our PSM and wider support services including the NHS, charities, community groups, local authorities and parish councils.

At the end of RIIO-ED1, we have developed relationships with over:

744 partner network members

Over the past year alone, we are proud to have expanded our vulnerability partnership network by 134 contacts. These include:

- The Royal Association for Deaf People.
- The Energy Saving Trust covering South Yorkshire, North Lincolnshire and Humber.

The critical role of partners in allowing us to deliver our objectives of supporting vulnerable customers

We view partnerships as the key to helping us deliver our commitment to being a force for good in the communities we serve. These trusted partners are best placed to deliver the support our customers require. Only through these close working relationships can we identify, reach and meet the needs of the most vulnerable in our region. As our delivery partners play such a critical role, we select and evaluate them in the following six ways:

1. Ensure organisations meet our vulnerability criteria.
2. Support our objectives and our sustainability approach.

3. Partnering with local organisations to provide support for vulnerable customers while making funds available to promote initiatives related to energy efficiency, fuel poverty etc.

4. Supporting and working in partnership with the third sector and community energy organisations to work in our communities; encouraging renewables, enabling decarbonisation and offering support for vulnerable customers.

5. Potential for adding value to the partners who work with us and increasing sustainability beyond initial funding through a support package which includes training, data sharing, networking and colleague volunteering.

6. Scalability or replicability across the region ensuring all customers benefit from the support offered.

Our end-to-end approach to our delivery partnerships

Set objectives

- Set clear expectations for the interventions (e.g. income maximisation, energy efficiency, health and wellbeing improvements)
- Set clear KPIs

Gain customer and stakeholder feedback

- Survey a sample of customers to gain feedback for improvements

Deliver schemes with partners

- Select projects based on our objectives
- Identify lead partners with expertise and proven delivery
- Develop and deliver programmes tailored to local conditions

Measure benefits

- Evaluate against three common metrics agreed across the sector
- Evaluate against our specific KPIs
- Quantify benefits through industry-wide SROI framework

Enablers power our ambition to deliver outstanding services



Part 3

Identifying partnership opportunities and scaling up our network

VULNERABILITY

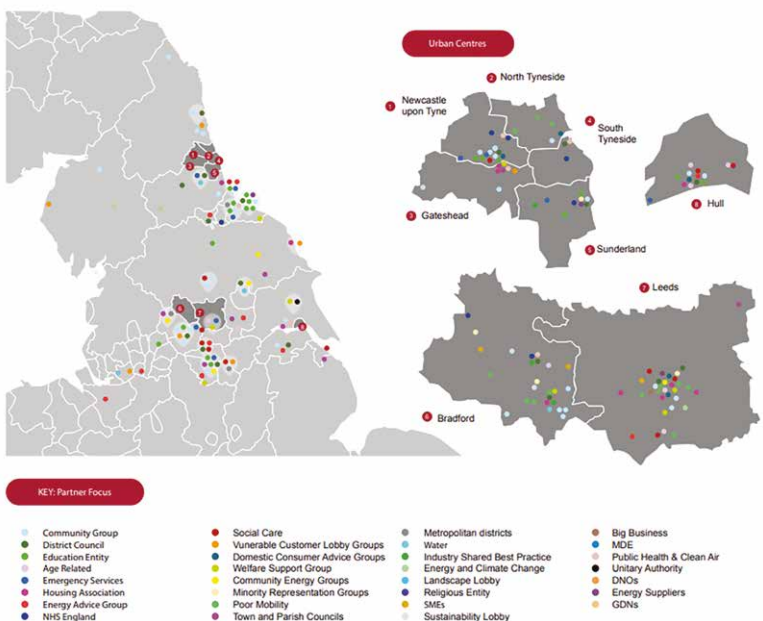
COLLABORATION

INNOVATION

Over the past year, we have identified 134 new partner network members, added 3 delivery partners and developed pilots with three further organisations to expand the breadth and depth of our support. This expansion was driven by:

- A partnership ecosystem mapping exercise for the third sector and wider partners, completed alongside the Centre for Sustainable Energy (CSE). Identifying where we have coverage in terms of geography, vulnerabilities and services offered through this work and overlaying the Experian data has helped us to identify shortfalls in coverage. For example, our research highlighted that advice for off-gas heating solutions, health referrals and home improvement services were each offered by less than 19% of our partners prior to the exercise.
- A mapping exercise alongside NGN to identify regional gaps in our fuel poverty programme, supported by social mapping data. This played a central role in the regional expansion of our Citizens Advice partnership.
- A comprehensive data cleanse of our existing partnership network to ensure all contacts are up-to-date. This consisted of the line-by-line removal of both expired contacts and also of general email addresses so that we can be fully cognisant of who is receiving our communications. We removed over 200 contacts to reach a high-quality portfolio of 610, to which the 134 newly identified were added.

Northern Powergrid social responsibility partners by category and region



Approach to building a vulnerability-focused culture

VULNERABILITY

SCALING UP

We have processes in place for embedding a commitment to protecting the interests of vulnerable customers within our culture. This includes vulnerability training, for both staff and external partners, to maximise the potential from each and every customer touchpoint. Our three levels of training are: (i) basic training – customer-first training with vulnerability

embedded (completed by 100% of our staff), (ii) advanced training – training that is received by staff and external partners working with vulnerable customers (including structured processes for every interaction) and (iii) regional-specific training – training that is received by staff and external partners working with vulnerable customers, tailored to region-specific issues.

Training the trainer: Customer vulnerability training in action

Over the past year, we have delivered seven advanced training sessions to frontline workers in collaboration with Green Doctor. This fuel poverty training course trains frontline workers (from organisations including Leeds City Council, Citizens Advice, the NHS, and the Royal Association for Deaf People) to recognise the scale, severity and signs of fuel poverty, in addition to educating them about where to refer customers for in-depth help. 221 people attended these sessions in 2022-23 – we estimate

31,824 indirect beneficiaries can be reached from this with information, advice and support taken from the training course (based on historical performance).

Benefits

The benefits identified from the customer vulnerability training include: Financial and carbon savings from behavioural changes estimated to provide a net benefit of £30.6k and £30.6k over 1 and 5 years, respectively, and estimated social value of £5.37 and £5.37 over and above every £1 spent over 1 and 5 years, respectively.

Social impact of our vulnerability programme

In response to panel feedback, all DNOs have collaborated to align on clear and consistent fuel poverty reporting metrics to aid comparability, supported by a common definition of

fuel poverty services and consistent, independently assured application of a social return on investment (SROI) measurement rulebook.

	Lifting customers out of fuel poverty	Enhanced power cut support
Customers supported*	64,223	5,556
Customer financial benefits	£3,379,269	£470,821
SROI	£3.12	£1.82
SROI term modelled	In-year (12 months)	In-year (12 months)

*Based on a sub-set of initiatives for which a SROI calculation has been produced.

Finally, we expect the pilots set up over the past year to support 1,300 customers in their decarbonisation journeys will deliver a gross financial benefit of £154,925 over the next 12 months.

