



**SGN**

Statement from  
Independent Stakeholder  
Group (ISG) Chair

December 2024

## **SGN Independent Stakeholder Group (ISG) Chair's Statement for GD3**

As Chair of SGN's Independent Stakeholder Group (ISG) I confirm:

- **That an ISG has been established by the company with clear terms of reference, governance and membership in accordance with this Business Plan Guidance and that the ISG has been fully engaged in the development of the company's business plan.**

The ISG (or its predecessor group) has been in place since 2019 and has evolved over time in line with experience of what is most effective and with formal guidance from Ofgem. We have been fully engaged in the development of SGN's Business Plan from an early stage and welcome the openness with which they have engaged. We have been meeting as a group on a monthly basis over the last year (and bi-monthly before that). We have also instigated buddying arrangements between ISG members and SGN staff to enable particular areas to be explored in more depth.

The ISG's membership, terms of reference and annual reports are available on the [ISG section](#) of SGN's website.

At our September 2024 meeting we carried out an assessment against the detailed expectations set out in the Business Plan Guidance which confirmed that we are working in accordance with that Guidance.

We did however note that there were challenges in two areas:

- The "*provision of comparative performance information*" where SGN have been limited in what they can share and where we are therefore grateful to Ofgem for presenting this (on a confidential basis) at a recent GD/GT ISG chairs meeting;
- The expectation that we would have "*access to the company's strategies and plans ...sufficiently promptly for the ISG to provide effective scrutiny and feedback and for the company to be able to demonstrate how it has considered the ISG's feedback in decision making prior to final submission of the business plan*". While SGN has been transparent in sharing information with us promptly once available, the compressed timetable for GD3 and the lack of a requirement to provide a full draft plan in July means that there are some elements of the Plan where we have not seen draft materials until very late in the day. However, even on these areas SGN have remained receptive to our feedback.

- **That the company has provided the ISG with information and evidence that has enabled the ISG to monitor how consumers and stakeholders have been engaged and how this engagement has affected the development of the RIIO3 business plan.**

As an ISG we have been closely involved throughout in SGN's engagement with consumers and stakeholders. We welcomed the early start that they made on this – ahead of Ofgem confirming the arrangements for the current price control through the FSNR. This also allowed us to contribute fully to the approach adopted and we are strongly supportive of the deliberative approach SGN have taken.

ISG members have observed over 12 sessions of the consumer research covering the whole process and each of the main demographic groups (future users, SMEs, fuel poor, general domestic). There has also been at least one ISG member at all the main stakeholder events. We have been invited to the debrief sessions with the agency for the consumer research, have featured engagement as a standing agenda item at our meetings and have open access through a SharePoint site to all the research reports and also to SGN's triangulated Insight Bank.

We have seen good evidence in our discussions with SGN of this engagement informing the development of the Business Plan and are well placed to judge how effectively key areas of concern to relevant consumers and stakeholders have been addressed in the Plan.

We look forward to sharing our view on the final Business Plan in our response to Ofgem's Call for Evidence.

Signed .

Maxine Frerk, ISG Chair

4 December 2024