

# Aberdeen HEAT in partnership with Scarf

Safe and Warm Energy Heat Advisors

Vulnerability and Carbon Monoxide Allowance

24/05/24

SGN



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## 1 Description

Funding GDN(s)	SGN
For Collaborative VCMA Projects:	N/A
Date of PEA submission:	1 April 2024
Project contact name:	Margaret Hamilton
Project contact number/email:	<a href="mailto:Margaret.hamilton@sgn.co.uk">Margaret.hamilton@sgn.co.uk</a>
Total cost (£k)	£83,234
Total VCMA funding required (£k)	£83,234

## 2 Problem statement

**Before the covid-19 pandemic** Aberdeen had high levels of fuel poverty at 26% and over 13% of households in extreme fuel poverty. This rises to 46% in fuel poverty and 19% in extreme fuel poverty respectively for social housing.

Since the pandemic Aberdeen, as many cities did, suffered the loss of many employers particularly in the retail and hospitality sectors respectively including large employers such as Debenhams.

Despite Aberdeen's reference as an affluent oil capital, the city still ranked the 13<sup>th</sup> most deprived and ranked 3<sup>rd</sup> highest unemployment rates of all 32 local authority areas in Scotland. The percentage employment for Aberdeen is 74.7% which is the same as Scotland.

With the post pandemic economic challenges, fuel cap increases and the cost-of-living crisis it is estimated the number of households in Aberdeen in fuel or extreme fuel poverty, may be as high as 40%.

Scarf has worked in partnership with Aberdeen City Council previously and has an extensive customer database of households who have applied for financial assistance from Aberdeen City Council declaring low income, benefits, disability, children, digitally excluded and people who are critically ill and require heating to stay warm. These residents require support now more than ever due to the cost-of-living crisis and the increase in energy prices, currently there is a shortfall in capacity to support with the significantly increased demand for services from vulnerable and fuel poor households.

The scale of deprivation and number of households in need of immediate additional support is demonstrated below in the Scottish Index of Multiple Deprivation figures **which is before the cost-of-living crisis**.

The SIMD Table below demonstrate that Aberdeen has:



- **74,400 of its population in the Most Deprived 20%** (Decile 1,2,3,4), which has increased by 17% since 2016
- 23,100 of its population in the Most Deprived 10% (Decile 1,2), ((+27% on 2016))
- 3,800 of its population in the Most Deprived 5% (Decile 1), ((+74% on 2016))

**\*The average employment rate in the above areas is 13.5%.**

Fuel poverty can have several adverse effects on low-income households:

- Long term exposure to the cold and damp can affect the development of young children and create long term health problems.
- Continued exposure can lead adults to long term respiratory illness and reduce life expectancy.
- Poor living conditions and financial pressures can lead to mental health issues and suicide. Poor living conditions can lead to drug use.

#### **Low-income and vulnerable households at risk of carbon monoxide**

There is a link between fuel poverty and carbon monoxide poisoning. Low-income householders are susceptible to having older boilers, heaters, or cookers to heat their homes and may not have the disposable income for an annual boiler service. People living in areas of deprivation are also less likely to have a CO alarm which increases the chance of a leak being fatal.

### **3 Scope and objectives**

Scarf in partnership with SGN will deliver a two-year programme providing Safe and Warm Home Energy Advisors supporting households in all tenure's living in fuel poverty in Aberdeen. Although the initiative will be aimed at all tenure's, proactive marketing will be aimed as a priority to the most in need targeting the most deprived areas with a particular focus on supporting families with children.

The programme will proactively use an active database of Aberdeen residents, marketing, and referrals from over 50 referral partners including but not limited to Aberdeen foodbanks, Home Energy Scotland, Aberdeen Citizens Advice Bureaus, and Aberdeen City Council. The partnership will focus on improving the levels of fuel poverty, increased registration of the priority service register and education on the use of carbon monoxide alarms.

The project will enable the following support to be delivered across the region:

- Provide energy advice to households on a local level and via in-depth home visits / telephone support/email. This advice will be provided to educate the household on how to effectively heat their homes.
- Through the education piece this will allow the household to be able to heat the home more efficiently and therefore reduce consumption in the home to maximise income and reduce levels of fuel poverty in Aberdeen
- Ensure customers are on the right tariff and are receiving the UK, Scottish Government, Local Authority, and access to any local charity financial assistance available.
- Ensure that households are aware of any home improvement grants schemes available to them to make their home more energy efficient and warmer.
- Provide an advocacy service to write off energy debt, apply for hardship funds and benefit checks.
- Provide regular, local information sessions/advice hubs for the public. This is to engage people who do not proactively ask for help, and the best way to approach the most vulnerable.
- Make referrals to other local and national partners that specialize in mental health support, food provision or additional advice matters to offer a holistic approach to improving the persons situation.
- Build on current partner list to ensure lasting partnerships with new and existing organisations across Aberdeen City.
- Educate on carbon monoxide (CO) symptoms and provide awareness of dangers associated with CO

- Identify households who could benefit from the Priority Service Register and help them register.
- 100% of home visits carried out with an electric vehicle or public transport to reduce carbon footprint.

The project aims to provide a holistic support advocacy service that gives fuel poor households in Aberdeen access to energy experts to reduce the impact of the financial pressures, create warm living conditions, more money in fuel poor clients pocket and a better understanding how to manage energy use, to stay safe and warm in their homes, and will look to monitor the financial gap required to remove homes permanently from fuel poverty.

The project will build a network of partners to provide multiple levels of support specific to the needs of fuel poor households and their families, particularly those with young children.

## 4 Why the project is being funded through the VCMA

The project delivers against SGNs Vulnerability Strategy, by providing targeted support to households most at risk of living in fuel poverty based upon their personal circumstances and their geographical location.

The partnership service aligns to our strategic ambition to support customers in energy crisis, helping those in fuel poverty to access financial crisis support, and other services including the Priority Services Register, awareness of the dangers of Carbon Monoxide and energy efficiency advice, empowering vulnerable households to use energy safely, efficiently, and affordably.

This partnership aligns to the SGN commitment to deliver support services customers aligned to our four strategic pillars:

1. Services Beyond the Meter
2. Supporting Priority Customer Groups
3. Fuel Poverty & Energy Affordability
4. Carbon Monoxide Awareness

This project aligns to strategic pillars 3, 2 and 4.

## 5 Evidence of stakeholder/customer support

### 5.1 SGN

Our VSG has helped shape our vulnerability strategy and priorities for GD2 and how best to utilise the VCMA to help those most at risk of living in a cold and unhealthy home. It is with guidance and support from our dedicated VSG that SGN use data to prioritise and target communities living with a health condition made worse by living in a cold and damp home. This partnership is built on data and covers geographic areas where there is compelling data that identifies vulnerable customer needs, both due to fuel poverty and health indicators.

As we have progressed our portfolio of projects throughout GD2, our strategic steering group reiterated the vital impact we could have by co-ordinating our activities with others to support those most in need, those most impacted by the cost of living and energy cost crisis. The VSG have recommended that we look at ways in which we can build stronger links with other organisations including collaborating with other utilities, health services and charities to deliver support services that tackle the fuel poverty gap and the underlying causes of fuel poverty.

### 5.2 Scarf evidence – Customer and Stakeholder support

“As part of our work at Instant Neighbour in helping to reduce food poverty, we often signpost to SCARF. With the cost-of-living crisis causing people to choose between “heating or eating,” the advice they provide

supports clients to save valuable money on their energy bills. For those who may be particularly vulnerable, the advice they provide on how to sign up to the Priority Service Register, and access to CO monitors would no doubt make homes across Aberdeen safer, and benefit clients in a variety of ways.” Jacqui Hall, Community Connector.

### 5.3 Aberdeen City Council statement

Aberdeen City Council Councillor Christian Allard, Convener of the Anti-Poverty Committee said: “We are committed to supporting those most in need and by working closely with our partners to achieve this. Scarf are a crucial ally in the fight against poverty and in mitigating its effects on households across Aberdeen. By supporting Scarf, we can work towards alleviating poverty and, in conjunction with other initiatives, save lives, as the supply and installation of carbon monoxide monitors and priority service register advice would ensure safe and secure households.”

## 6 Outcomes, associated actions, and success criteria

### 6.1 Outcomes

Through this partnership, we aim to alleviate the financial burdens faced by households living in fuel poverty. We will target support to those families most at risk of living in a cold and unhealthy home by providing a range of support services that address the underlying causes of fuel poverty.

Our main outcome is to ensure people in Aberdeen can feel safe and warm in their homes. The project will educate households to use energy more efficiently, support to maximise their household income and provide access to grants and schemes to make the homes more efficient. The collective outcomes should ensure a reduction in fuel poverty and a clearer understanding of carbon monoxide.

The in-home and remote support advocacy will provide in-depth fuel poverty support to vulnerable consumers in crisis (e.g. with fuel billing issues, fuel debt, pre-payment meter self-disconnections) and raise awareness of fuel poverty, energy advice top tips, benefits of joining Priority Service Register and the dangers of CO to at least 700 unique households across Aberdeen. The support will educate and support households to effectively heat their homes in an affordable safe manner.

The Safe and Warm Energy advisors will deliver high quality in-depth bespoke advice to the customer to up to 700 unique households living in fuel poverty, providing advice on the following:

- Energy efficient behaviour advice, including heating system advice.
- Energy efficient measures and how to access these e.g. Home Energy Scotland (HES) referral to access Warmer Homes Scotland and SGN Help to Heat support.
- Educate how to manage energy consumption: understanding energy bills and meters, accessing discounts (e.g. WHD), accessing energy vouchers, tariff/supplier switching, and water efficiency.
- Educate how to work with suppliers on fuel billing issues.
- Fuel debt advocacy and signposting/referrals for wider debt advice through Aberdeen CAB
- Access to hardship funds (Via Home Heating Support Fund/Aberdeen City Council and organisations such as the Fuel Bank)
- Access to Scarf’s HEAT Fund to support with emergency financial assistance / fuel poverty
- PSR sign-ups
- Educate on the dangers of CO and how to be safe
- Signposting/referrals to wider support e.g. income maximisation advice, mental health support (e.g. Citizens Advice, Scottish Association for Mental Health, Aberdeen City Council and Foodbanks

Scarf will work closely with Home Energy Scotland (HES) and their partners to ensure clients receive a wraparound service. Energy support through a cross-referral relationship – in-depth billing and debt support (Scarf) and access to grants/schemes for energy saving measures (e.g. through Warmer Homes Scotland) and wider advice on water saving and other HES programmes.

The project will also target and make fuel poverty, energy saving advice and dangers of CO information accessible to others via various activities e.g. delivering briefings to front-line staff, attending relevant forums/events, local long-established partners such as the Local Authority, CAB, NHS Grampian, and the vast amount of food banks around the city.

## 6.2 Success Criteria

The project, over two years would aim to reach around 1,300 households across Aberdeen and surrounding areas through various marketing initiatives, partner referrals and engagement events to identify 700 households requiring further support through this initiative.

Support from our dedicated Safe and Warm Home Energy advisors would deliver for fuel poor households in Aberdeen:

- 1300 households across Aberdeen will have access to materials around our programme which will provide information on energy efficiency, CO and PSR awareness through various methods: marketing, social media, partners, and events of which 700 households will be identified as requiring further support.
- 700 unique customers are referred and supported via the HEAT team around the following
  - energy efficiency, tariffs, debt, and heating advice.
  - PSR conversations,
  - CO awareness
  - Income Maximisation checks
  - Advice around energy measures for the home
- From the 700 customers - 350 customers will receive in home energy visits to assess requirements for the customer and the home
- 140 referrals to partner organisations for further debt advice and/or income maximisation
- 140 carbon monoxide monitors provided along with CO awareness
- 140 sign up to Priority Service Register
- 70 referrals to the Scottish Government Home Energy Scotland programme
- 50 Referrals to local area schemes (e.g. ECO4, HES etc)
- 50 Referrals for mental health and wellbeing support
- 100 Referrals for food provision/parcels
- 100 people have access to Scarf's HEAT Fund to support with emergency financial assistance / fuel poverty average saving of £50
- £8000 – worth of energy debt written off, financial assistance obtained on behalf of the customer and extra income via benefit check supporting around 20 people
- 10 Local engagement events attended
- 1 x Energy Advisor accredited to City and Guilds Training Level 3 Energy Awareness



## 7 Project partners and third parties involved

### Scarf

Scarf has been delivering the in-home and remote advice programmes in the Northeast for over 20 years.

Scarf's Home Energy Advice Team (HEAT) are specialists in providing support to low income and vulnerable households by providing a full one stop shop support on energy advice and advocacy to support people out of fuel poverty. The team's approach is to educate the household to gain the knowledge to be able to tackle issues themselves. The team are city and guild qualified and deliver outcomes using Energy Savings Trust Advice.

Scarf has a long-standing relationship with partner organisations in Aberdeen, and below lists some key organisations who will promote and refer into the programme:

#### Home Energy Scotland

HES is funded by the Scottish Government and in the Northeast delivered by Scarf. Home Energy Scotland has a two-way referral programme with Scarf where households are passed from HES to the HEAT team and practical support is carried out with the household such as in-home reviews and support with billing. The HEAT team also refer into HES to ensure that where households qualify, fabric improvements can be made. This provides the advice and fabric holistic approach to maximise the household's income and reduce fuel poverty.

#### Aberdeen Citizens Advice

Scarf has a good relationship with the Aberdeen Citizens Advice Bureau and will work with the Bureau as a two-way referral. In turn Scarf will refer households to CAB to ensure financial and any other further assistance is provided where required.

#### Aberdeen Energy Company Obligation 4 (ECO4)

Scarf is the referral agent for the Aberdeen ECO4 programme which will enable referrals to receive the maximum available support and provide specialist advice around Aberdeen ECO4 and the Warmer Homes Scotland Scheme to beneficiaries as unique advice.

#### Aberdeen City Council (e.g. Financial Inclusion Team etc)

Scarf has a good working relationship with Aberdeen City Councils front line services and will take referrals for energy advice provision but will also work with Aberdeen City Council to maximise household income through local financial scheme's being provided by the local authority.

#### Churches, community centres and food banks across Aberdeen.

Scarf has a large portfolio of partnerships across Aberdeen. Scarf will attend events and take referrals from households that reach out to one of our referral partners. We find that we have a good network of the organisations who see vulnerable households who would not normally pick up the phone for assistance.

**Gas Safe Charity** - support from the charity to provide CO awareness and training for frontline teams

**SGN** – support from SGN to provide CO alarms for fuel poor households

**SSEN** – PSR awareness and resilience support for Scarf

## 8 Potential for new learning

### Monitoring and evaluation

The programme will produce monthly reporting on HL outcomes, a quarterly and annual report. These reports will look to provide an overview of the activity performed by the Safe and Warm Team. The information captured in the home will be measured over two years against the current average energy prices to determine the gap required to remove households in Aberdeen from fuel poverty longer term.



## Learning

Although a Housing Conditions Survey has been created for the first time since covid, it lacks detail across Scotland with only a couple of thousands of participants giving no understanding of the current fuel poverty gap which has been made worse due to the cost-of-living crisis. Through looking at household incomes/tenure/property type captured on the initiatives from the home visits, the project will provide a report which will look at the Scottish Government definition of fuel poverty and look to understand the gap now required to remove households in a city from fuel poverty and extreme fuel poverty. This information will be used to engage with Scottish government, SGN's GD3 plan and local authorities to support future energy support packages.

The partnership will provide information required to support future initiatives in Aberdeen and surrounding area which will help make informed decisions required to target those fuel poor households most in need.

## 9 Scale of VCMA Project and SROI Calculations

### Social Value Measurement

We worked with leading social impact research consultancy Sirio to carry out an assessment of the financial and wellbeing outcomes applicable to our services for vulnerable customers incorporated in this partnership using the Industry Standard Social Value Framework and supporting GDN rulebook. Carrying out an in-depth assessment of the predicted outcomes we forecast a positive net social return in investment of £1.61.

<b>Total cost</b>	£81,345.29
<b>Total gross present value</b>	£216,693.30
<b>Net present value</b>	£135,348.01
<b>SROI</b>	£1.61

## 10 VCMA Project start and end date

The project will run from 1 April 2024 to 31 March 2026

## 11 Geographic area

Aberdeen area

## 12 Approval

SGN has worked alongside Scarf to co-design this partnership and ensure that its ambition contributes to the delivery of our Vulnerability Strategy, the guidance from our Vulnerable Customer Steering Group and adheres to the updated VCMA governance criteria. The SROI has been externally assessed by Sirio using the Industry Standard Social Value Framework and supporting GDN rulebook.

To support the partnership to deliver the success criteria outcomes as detailed, the partners will review progress monthly and quarterly to learn, share best practices and address any delivery issues.

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