

Northern Gas Networks' response to the panel's four supplementary questions (SQs) to inform its assessment of the SEI.

1. *Your submission highlights the work carried out to improve engagement with customers in vulnerable circumstances however, the scale of delivery for vulnerable customers is unclear. Please provide responses to the following:*
 - a. *What progress has been made on PSR registrations this year, and on helping people in fuel poverty?*
 - b. *Clarify how you are engaging with stakeholders to address the barriers to making further progress on such issues.*

2. *Your Sustainable Development Goals ("SDGs") are being adopted by many organisations. However, their adoption can mean different things. Often, it is unclear whether the priorities adopted reflect the targets that sit under those goals. Please provide responses to the following:*
 - a. *Provide further clarity on the work undertaken with your stakeholders to gain input to the selection of the subset of SDGs as the most appropriate goals.*
 - b. *Explain how SDGs are delivering tangible benefits in your operating area, and how you are monitoring and reporting progress to stakeholders.*

3. *The COVID-19 pandemic has changed both the ways of working and how stakeholder engagement is conducted. Please provide responses to the following:*
 - a. *How have stakeholders helped you put in place new ways of working for the COVID-19 pandemic?*
 - b. *What new methods of stakeholder engagement have you found useful and why?*
 - c. *What learnings from the pandemic are enabling you to deliver more for customers and stakeholders?*

4. *Many companies are using technologies such as Artificial Intelligence to improve stakeholder engagement.*
 - a. *Please explain what steps have been taken to use technologies such as Artificial Intelligence, Big Data and others to improve stakeholder engagement, deliver benefits to stakeholders and improve services to vulnerable customers.*
 - b. *What data sets have you made available to other stakeholders?*
 - c. *What help, if any, are you giving these stakeholders with using the data?*

1a) We have continued to actively engage and support customers who are vulnerable, including those in fuel poverty. This year we've built on a range of mature and embedded engagement programmes that, amongst other benefits, have supported additional PSR registrations and fuel poor connections. By working in partnership with trusted intermediaries with established connections at a grassroots level, this year we've been able to engage with over 49,000 consumers through PSR and fuel poverty projects.

<i>Initiative</i>	<i>Reach</i>	<i>Benefits</i>
Green Doctors (Section 5.3) home visits providing advice and support to tackle fuel poverty	539 households	Across the suite of programmes, customers receive advice and support that provides an understanding of the PSR and how to register. Support helps tackle fuel poverty by educating on fuel switching, discounts and how to save money on energy bills through the provision of energy efficiency measures. As an example, attendees saved approx £189 on their annual energy bill from advice received at the warm hubs. Through Green Doctor visits, households have made £171,717 of lifetime savings.
Fuel poverty training for community leaders (Section 5.3) cascading learning to support individuals and groups	15,000 people / month	
Warm Hubs creating warm places for vulnerable customers to have a meal and get advice	19,520 residents	
Pop-up Hubs supporting off-grid rurally remote communities across Northumberland	230 residents	
Community Partnering Fund; tailor-made schemes to help customers in fuel poverty and PSR referrals	14,030 people	

In addition to these community programmes, through our day to day operations we have delivered 3,000 direct PSR referrals and secured 1,834 fuel poor connections.

1b) Throughout the year we have engaged deliberately - both with customers and expert stakeholders - to make further progress and address barriers in helping vulnerable customers access support, including the fuel poor. Customers in our Citizens' Jury, as well as attendees at our Social hot topic workshops, helped to design and accelerate our Hardship Fund (Section 5.2), which will directly help those customers who traditionally fall through the gaps for support. Our Vulnerability Training Framework (5.1), the result of iterative co-design with stakeholders and industry partners, will ensure all our colleagues can identify and support vulnerable customers. Additionally, through story 5.4, in partnership with our stakeholders, we have directly addressed language barriers that present a challenge to customers who would benefit from either PSR registration or more specific fuel poverty support. Each of these initiatives will help to broaden and improve our approach to supporting customers in vulnerable situations.

2a) Stakeholders have played an intrinsic role in shaping our priority SDGs at each stage of the development process. Initially, through engagement on our Environment Strategy, our Stakeholder Panel asked that we consider how our commitments aligned with the SDGs. However, in acting on this feedback, it became immediately clear that the business has a role to play in a wider set of SDGs than just those pertaining to the environment. In order to select the appropriate SDGs we drew upon our full range of engagement mechanisms (outlined in Section 2) and insights to understand the key priorities for our stakeholders. This feedback was mapped against the SDGs and supplemented by internal workshops to identify the ability of the business to contribute to each goal. As a result, the goals selected represent a significant expansion beyond our initial focus on environment to a more holistic approach that reflected our stakeholders' broader expectations and our ability for positive impact.

2b) Each of our SDG commitments are underpinned by quantifiable targets that represent tangible benefits for our stakeholders. These targets also provide the basis of our enduring Environmental Strategy, developed in partnership with 500 stakeholders. In some cases, where it is appropriate, the targets mirror the stretching targets we've set, through dialogue with our stakeholders for RII02. In this way, wherever possible, we have simply and clearly embedded delivery of the SDGs into our strategic business planning rather than creating separate, untethered, commitments. This reflects our commitment to embedding the SDG's as business-as-usual practice as opposed to a one-off reporting exercise. However, we are also cognisant of the fact that regulatory outputs are not appropriate to many of the SDGs which our stakeholders identified as their priorities. In these cases, the adoption of the SDGs prompted us to establish new targets. To inform these we took part in peer review, through BITC's Responsible Business Tracker, to look across the business community, identify best practise, understand our own gaps and inform targets that would address these directly. A gap identified by BITC echoed feedback from Local Authorities that we should have clearer plans for increasing gender and racial diversity in the workforce. As such, we developed targets under Goal 8 to join the Energy and Utility Skills partnership inclusion commitment and to significantly reduce our gender pay gap by 2025. These commitments will help us recruit diverse talent into the energy and utilities sector and help us provide quality jobs, supporting infrastructure for local and sustainable growth. We've also made a commitment to embedding ongoing transparent reporting and will publish an annual report documenting progress against our targets and commitments and provide an opportunity to further test and refine our approach on an ongoing basis. Furthermore, where we have aligned targets with our business plan, some targets will additionally be reported against as part of our regulatory reporting framework.

3a) In story 4.4 of our submission we set out how we've worked closely with our stakeholders and partners to keep our communities safe, support our customers and shape new ways of working during the COVID-19 pandemic (the pandemic). As one example, engagement with charity and voluntary sector stakeholders highlighted a need for us to find new ways to deliver vulnerability training during the pandemic. We worked with local organisations to co-design online courses on PSR, energy efficiency and CO awareness. 67 courses have been completed so far.

Close joint working with our Local Resilience Forums has also informed amended procedures to our day to day operations including keeping customers safe in the event of a gas emergency (camper vans instead of hotels) and the behaviours we needed to adopt to support local shielding strategies. More recently we've worked with local highways to reprioritise works in city centres where possible, while there were low traffic levels.

3b) We've embraced online engagement methods to overcome the barriers introduced by Covid19. In particular, we've hosted virtual stakeholder workshops and our first ever webinar, as well moving to online bilaterals. We've observed a range of benefits from these mechanisms. They've allowed us to be more geographically inclusive and reach more stakeholders; our hydrogen webinar saw us engage with a global audience compared to a regional one and meant three times as many stakeholders could attend. The ability to record the sessions allows additional stakeholders to engage. Finally, reducing travel is having a significant influence on the carbon impact of our engagement. We've used our strong social media presence to connect directly with communities and really understand what more we could do beyond our core responsibilities to support them. Through our 'Ask NGN' social campaign stakeholders told us what help they most needed, leading to circa £28k community support from baby grows for maternity units to iPads for care homes. Whilst Covid19 has created an opportunity to explore the potential for online engagement it has also highlighted the challenges of digital exclusion; particularly in engagement with domestic customers. We are now factoring this into design, in particular increasing use of telephone surveys.

3c) We have worked closely with our partners to understand how customer needs and the vulnerability landscape has changed. With the increased number of vulnerable customers, requirements of customers shielding and prospects of likely local spikes and a second wave, we have re-evaluated our innovation portfolio. We've adapted and brought forward four projects to allow us to undertake routine operations without interruption to gas supplies with minimal access to customer properties. These solutions will enable uninterrupted delivery of planned works activity in the future.

4a) We have both actively sourced and utilised external data, and shared our own, to deliver tangible improvements in our services this year.

In Section 5 we referenced our social indicator research. This research used big data from a range of sources, to create a much richer understanding of vulnerability at a local level. This data is being used to shape a range of tailored and bespoke initiatives, as well as informing their delivery. For example, data helped identify video as the most effective delivery mechanism to communicate with hard to reach customers to overcome the literacy and cultural barriers highlighted by the data from the social indicator research in story 5.4.

Our data systems internally mean we can read and share accurate data with shippers and the industry, supporting our commitment to proactively pay compensation to customers when we breach our GSOP targets (see story 5.6). This has also enabled us to use our performance data to drive forwards automatic compensation and work with stakeholders to ensure this change is industry wide.

4b&c) Wherever we've recognised that we can deliver a benefit to our stakeholders and customers by sharing data, we have. This has been through sharing of performance data with Xoserve (story 5.6), operational data with local authorities (story 6.2) and asset data with other utilities and infrastructure organisations (story 4.3).

The central premise of our work to develop a joint utilities underground map (story 4.3) is sharing data and providing better access to data to see where assets are underground. This is of inherent value for multiple utilities and infrastructure organisations to reduce cable strikes. Our work this year focused on testing the usability and reliability of the data on live projects, between ourselves, our water, electricity and telecom partners and both Sunderland and Durham Councils. The efficient sharing of data and information we have achieved this year will create the basis of a national map that will indirectly support a number of government priorities such as Fibre roll-out, 5G network and Smart Government.

We have also supported Local Authorities to develop energy modelling across different scenarios by sharing extensive data with them. Through a programme of engagement with local authorities we've used our collaborative work with other networks to develop gas decarbonisation pathways to help them understand how it could inform and shape their own local pathway. We have also fed into localised network plans by providing data on the impact of increasing volumes of hydrogen and biomethane gas on our network and through our programme of bilateral meetings helped inform the development of research that each local authority is conducting in their area.