

Energy Redress Scheme

Impact Report 2021



“This is a crucial time to fund the work of these charities. The support they provide can help those most in need through this especially difficult time and ensure a just transition to net zero that leaves no one behind.”

Graham Ayling, Senior Project Manager of the Energy Redress Scheme

Protecting vulnerable energy consumers

The Energy Industry Voluntary Redress Scheme (Energy Redress Scheme) collects voluntary payments from companies that may have breached rules and redistributes the funding as grants to charities that support vulnerable energy consumers. Energy Saving Trust manages the Energy Redress Scheme on behalf of Ofgem (the energy regulator) and administers distribution of the funds to

registered charities in England, Scotland and Wales.

The main priority of the Energy Redress Scheme is to support energy consumers in vulnerable situations. This includes people experiencing fuel poverty, health issues or other circumstances that mean they are disadvantaged when it comes to meeting their energy needs.

Research, innovation and carbon emission reductions

In addition, a percentage of Energy Redress Scheme funding can be directed towards innovative projects that will benefit energy consumers and have a realistic prospect of delivering benefits to existing or future energy consumers and that help to reduce the environmental impact of energy use.

This year saw applications for the new Carbon Emissions Reduction Fund, that can be used to support energy related activities aimed at reducing carbon dioxide emissions from energy use. These projects must focus on energy generation, distribution or energy use and accelerate the transition to Net Zero carbon emissions.

Where we are

The Energy Redress Scheme launched in Spring 2018 and 12 funding rounds have now been completed.

The Energy Redress Scheme is open to charitable organisations that support energy customers in England, Scotland and Wales. Applications are made through an online system and closing dates for applications are determined each quarter. The minimum grant that can be requested is £20,000 and the maximum grant amount varies depending on the size of the fund available with the largest single award to date being £909,358.

Over 800 charities have now registered and are eligible to apply to the Energy Redress

Scheme. Energy Saving Trust undertakes a due diligence process on each charity when they register to check their financial health and charitable status.

The charities registered include organisations that deliver benefits, debt and housing advice, specialist support organisations for people with disabilities or families, charities that support the elderly, energy specialist charities and environmental organisations.

To date, the Energy Redress Scheme has funded 318 projects, awarding over £40 million to successful grantees delivering projects across England, Scotland and Wales.

Round	Total of grants awarded
Round 1	£244,567.06
Round 2	£2,103,479.19
Round 3	£461,235.18
Round 4	£291,795.60
Round 5	£4,374,103.11
Round 6	£5,099,357.98
Round 7	£2,981,598.73
Round 8	£3,543,339.64
Round 9	£2,014,397.37
Round 10	£6,087,557.24
Round 11	£2,208,992.36
Round 12	£1,972,715.48
Total	£31,383,138.90

Plus, over £9m in fuel voucher funding since 2020

Energy Redress Scheme in numbers



Over

800

charities are registered to the scheme



There have been

12

rounds of funding so far



Grants worth over

£40m

have been provided to successful projects so far



Over

318

charity based projects have been funded across England, Scotland and Wales (including crisis funding)

Energy Redress Scheme in numbers



There has been over

£6.4m

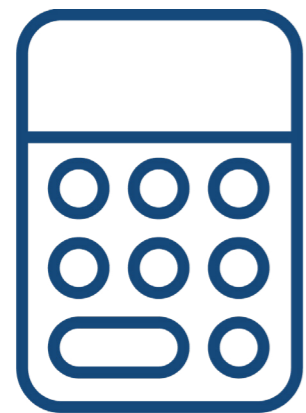
in energy bill savings from energy advice provided by the scheme's projects



Over

128,000

households have been provided with energy advice to date



Estimated savings that have been reported so far include over

5,700MWh

Of energy



Nearly

26,000

capital measures have been installed or provided to households



Improved wellbeing of vulnerable energy consumers

Savings are expected to increase significantly as further project activity is undertaken. In addition to the quantifiable impacts, there are other qualitative impacts and successes that have been achieved:

Vulnerable customers

The scheme funds projects that support energy consumers in vulnerable situations. The most frequently supported vulnerable group was people living with a disability or long term health condition.

Improved wellbeing

Most grantees reported improved wellbeing as a significant outcome amongst their clients. This included reduced anxiety and stress by helping clients to reduce bills through switching tariffs, as well as making behavioural changes or installing energy efficiency measures to reduce the amount of energy used.

Some grantees noted the importance of this in the context of the COVID-19 pandemic and that telephone advice provided a friendly voice at a time when people were feeling particularly anxious and isolated from others.

Empowerment

Grantees spoke of how their project has empowered clients to begin making their own energy choices by increasing their understanding of their bills and associated energy use, allowing them to make informed decisions and have more control over their finances.

Improved capacity and capability of the organisation

Many grantees have found that delivering their project helped to build their capacity and capability, allowing them to develop as a charity and become more effective. The two-year length of projects has allowed grantees to build solid partnerships and upskill workers in a way that might not have been possible with a shorter project timeline.

Legacy

Grantees have provided examples of the legacy secured by their completed projects. This includes receiving additional funding from the Energy Redress Scheme or other sources to continue or expand their project, staff retention, continued partnership/stakeholder relationships and increased resource capacity.

Partnerships

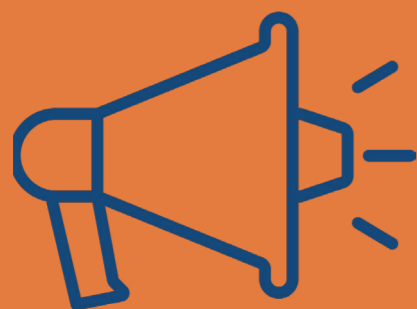
Nearly all the grantees referred to partnerships either forming or strengthening through the delivery of their projects. Several grantees also highlighted that the partnerships have led to their organisation being able to reach more people, and in some cases form new projects with partners.



Many Energy Redress Scheme projects have incorporated learnings into their consistently evolving projects due to both foreseen and unforeseen circumstances. There have also been several difficult barriers to overcome for many energy advisors.

The most significant barrier to project delivery so far identified by all evaluated grantees is unsurprisingly COVID-19. COVID-19 has impacted the demand for support due to the pandemic making more households vulnerable and impacted grantees' ability to provide support through reduced face-to-face interaction and limited community events. Grantees who already had operational projects when the COVID-19 pandemic began were offered the opportunity to submit a COVID-19 mitigation plan to enable people to adapt their projects so they could still work through pandemic restrictions.

Some lessons learned by grantees so far include:



Despite difficulties reaching the most vulnerable energy consumers, Energy Redress Scheme projects have been up to the challenge, reaching over 128,000 households to date through digital advice, in home visits, telephone advice, community workshops and more.

Adapting service provision

This ensures service continuity by changing the way energy advice was disseminated to clients.

Tailored engagement

To reach clients during the pandemic, and many commented on the importance of partnerships and other networks to reach vulnerable people.

Effective use of technology

Knowing how to best use technology for reaching clients and understanding the risks of exclusion for those that can't connect digitally.

Partnerships

Building partnerships helps to increase the confidence of partners in the service, ensuring they are clear on what the project offers and are aware that the service will be available for a couple of years and therefore, worth getting involved in.

Client needs and concerns

It is important to understand the needs of vulnerable clients. This is both in terms of the complexity of client issues and that they will often have multiple problems to deal with at once.

Engagement and awareness raising

This can often be challenging both from the perspective of the difficulty in engaging with the target audience and getting partners to engage with the project. Understanding their needs and concerns means that grantees can most effectively design their engagement strategy.



Lessons learned



“To date, one of the highest requests for support is towards heating and energy, so we look to see how we can better support customers with energy related concerns through our energy advice team rather than just providing support through one off grants.”

Adam Nash, project manager for Macmillan



Satisfaction

Energy Redress Scheme projects have received fantastic feedback from energy consumers which have been passed on to the scheme’s project managers. The Energy Redress Scheme itself has received feedback from charities that have applied.

Satisfaction with Energy Redress Scheme funding is high:

Most respondents to the online survey found the application process easy (68%), understand the aims of the Energy Redress Scheme (85%) and understand the eligibility criteria and rules of the Energy Redress Scheme (87%).

All online survey respondents were asked to rate their likelihood of recommending the Energy Redress Scheme to other charities on a scale from 0 to 10, where 0 is extremely unlikely and 10 is extremely likely; 75% of respondents selected 8 or more. All results were used to calculate a Net Promoter Score (NPS).

The NPS for the Energy Redress Scheme based on responses from successful and unsuccessful applicants is 50, which is considered to be “excellent”. The NPS calculated by only using the ratings of the 24 successful applicants of the fund is 96, which is exceptionally high within the “world class” category.

Score	Considered	Comments based on global NPS standards
A “negative” score or NPS below 0	Action needed	NPS below 0 is an indicator that the project needs to start understanding and improving its customer satisfaction levels
A “positive” score or NPS above 0	Good	NPS above 0 is an indicator that the project has a more loyal customer base
NPS above 50	Excellent	NPS above 50 indicates that the project places customer satisfaction high in priority and has a lot more satisfied customers than dissatisfied ones
NPS above 70	World class	NPS above 70 places the project in the list of top customer-centric companies. This most likely means that customers generate a lot of positive word of mouth referrals

Case study

Tackling fuel poverty caused by cancer, Macmillan Cancer Support

The ‘Tackling fuel poverty caused by cancer’ project (funded in round 7 of the scheme) aimed to ensure that vulnerable people with cancer have access to expert advice, support and where possible emergency funds so they can keep warm without the worry of how to pay their fuel bills.

This project exceeded its projected targets and has highlighted the growing need for energy advice services to the number of people in the country living with or affected by cancer, struggling with increased fuel bills.

One of the biggest outgoing costs for people living with cancer is their heating costs as they try to keep warm during their treatment when they are often at home more and see a spike in their fuel bills.

The Macmillan Energy Advice Team specifically focuses on what support is available and trying to help customers keep warm in their homes, whether through emergency prepayment meter vouchers or accessing grant eligibility.

The project has been able to fund the team and allow for additional training from NEA, it has also allowed the Energy Advice Team to meet with water companies and expand their knowledge and advice. As the demand for the service has increased the team has responded innovatively by training additional colleagues across Welfare Rights to deliver energy advice.

Clients who interacted with a dual role advisor were asked to take part in a survey about their experience. Of respondents:

- 70% weren’t aware that Macmillan could help with energy costs before speaking to an advisor.

100% agreed or strongly agreed that;

- The advisor took the time to understand them and their situation.
- It was easy to contact the advisor when they needed them.
- They understood what the advisor was doing on their behalf .
- They received support for both benefits and energy advice.
- They would recommend the support provided to others.
- Using the service made them feel less worried.
- Using the service made them feel more informed and able to make better decisions.

“While we are in the early days of understanding the additional challenges which we face for people living with cancer, we will do whatever it takes to provide support for those who need it through our services including the Energy Advice Team, acting innovatively to the changing needs and demand of those with cancer across the UK. This will mean we can adapt our support to help meet these needs and to work closely with other organisations, such as energy providers, of the support required” – Sean Conroy –Macmillan Service Manager: Welfare Rights and Energy

Outcomes

Macmillan supported almost 9,000 households over the 12-month project and identified fuel bill savings of over £3.5 million. Macmillan has since been successful in securing further funding through the Energy Redress Scheme to continue this important work.

**MACMILLAN
CANCER SUPPORT**

Locations of Energy Redress Scheme projects



The Energy Redress Scheme has funded charities based in England, Scotland and Wales. Projects have been of varying sizes from local to national. There are no geographical priorities for the Energy Redress Scheme and applications are selected on their individual merits and ability to provide positive outcomes to vulnerable energy consumers.

The locations of nearly 200 charities and over 180 core Energy Redress Scheme projects can be seen on a map on the [Energy Redress Scheme website](https://www.energyredress.org.uk), which also includes a list of all funded projects to date.



For more information on the Energy Redress Scheme please visit [energyredress.org.uk](https://www.energyredress.org.uk)

 [@EnergyRedressUK](https://twitter.com/EnergyRedressUK)

 [Energy Redress Scheme](https://www.linkedin.com/company/energy-redress-scheme)

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