

## Project Eligibility Assessment (PEA)

<b>Project title:</b>	Cedarwood – Centre for Warmth
<b>Funding GDN(s)</b> <i>The GDN(s) which register(s) the project</i>	Northern Gas Networks
<b>New or updated</b> <i>(indicate as appropriate by removing the option that does not apply)</i>	New
<b>Collaborative VCMA Projects</b> <i>Specific role(s) of GDN(s) participating in a collaborative VCMA Project:</i>	N/A
<b>Date of PEA Submission</b>	March 2025
<b>VCMA Project contact</b> <i>Name:</i> <i>Email:</i> <i>Number:</i>	Laura Ratcliffe <a href="mailto:lratcliffe@northerngas.co.uk">lratcliffe@northerngas.co.uk</a> 07928501779
<b>Total cost (£k):</b>	*detailed separately
<b>Total VCMA funding required (£k):</b>	*detailed separately

<b>Problem(s)</b>	<p>Digital exclusion a lack of digital access prevents many households from applying for PSR, financial aid, switching energy providers, and accessing energy efficiency programs.</p> <p>The of awareness of the Priority Service Register (PSR) many vulnerable residents have a lack of knowledge of the register and what the purpose is, unfortunately the misunderstanding leads many vulnerable residents who are in fuel debt from reaching out to PSR due to mis placed fear it will lead to pursuit of energy debt.</p> <p>Fuel poverty remains a critical issue in North Tyneside, where deprivation levels rank in the top 10% nationally. Many households struggle to afford adequate heating, leading to cold, damp, and poorly insulated homes. This not only increases energy costs but also exacerbates serious health conditions, particularly among vulnerable groups, such as: The ongoing cost-of-living crisis has significantly increased household energy bills, pushing more families into fuel poverty. Across the Northeast, over 600 people per month sought help with energy debt, with numbers nearing 1,000 per month as winter approached (source: NEA).</p> <p>Many properties in North Tyneside are:</p> <p>Poorly insulated, leading to heat loss and higher bills. Damp and mould-prone, worsening respiratory conditions such as asthma. Relying on outdated heating systems, which are inefficient and costly to run.</p>
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	<p>Currently, <b>12,500 households</b> in North Tyneside are <b>experiencing fuel poverty</b>, with many unable to afford improvements (source: NEA).</p> <p><b>The Solution</b></p> <p>The Centre for Warmth project will directly support 250 vulnerable households over 12 months to sign up to the Priority Service Register and indirectly support 2,000 individuals by raising awareness of PSR. Direct and indirect supports will be provided with knowledge on ways to reduce energy costs, improve home warmth, and enhance well-being.</p> <p>The project will offer:</p> <ul style="list-style-type: none"> <li>• In person PSR support to sign up to the register.</li> <li>• Deliver a 12-month social media campaign raising the awareness of PSR.</li> <li>• In-person energy advice visits for households, including tailored advice and free carbon monoxide (CO) detectors.</li> <li>• PSR drop-ins at the Centre for Warmth to reach an additional 50 households.</li> <li>• Tariff-switching support to assist 50 households in accessing cheaper energy plans.</li> <li>• Training for 5 Community Energy Ambassadors ensuring ongoing community support beyond the project's duration. One of these ambassadors will be our Ukrainian and Russian-speaking community connector, who will support residents with little comprehension of the English language.</li> <li>• Income maximisation support, including benefit entitlement checks and financial advice.</li> </ul>
<p><b>Scope and Objectives</b></p>	<p><b>Scope</b></p> <p>The project will focus on North Tyneside, with a particular emphasis on the Meadowell Estate and surrounding areas. These areas have some of the highest rates of fuel poverty in the region, with many residents struggling due to:</p> <ul style="list-style-type: none"> <li>• Low-income levels limited financial resources leave households vulnerable to rising energy costs.</li> <li>• Health inequalities, any elderly residents and individuals with chronic health conditions require stable home temperatures to maintain well-being.</li> <li>• Housing conditions many homes in the area suffer from poor insulation, damp, and outdated heating systems, leading to higher energy bills and health risks.</li> <li>• Digital exclusion a lack of digital access prevents many households from applying for PSR, financial aid, switching energy providers, and accessing energy efficiency programs.</li> <li>• English as a second language.</li> </ul> <p>The project will focus on North Tyneside, with a particular emphasis on the Meadowell Estate and surrounding areas. These areas have some of the highest rates of fuel poverty in the region, with many residents struggling due to:</p>

	<ul style="list-style-type: none"> <li>• Low-income levels limited financial resources leave households vulnerable to rising energy costs.</li> <li>• Health inequalities, any elderly residents and individuals with chronic health conditions require stable home temperatures to maintain well-being.</li> <li>• Housing conditions many homes in the area suffer from poor insulation, damp, and outdated heating systems, leading to higher energy bills and health risks.</li> <li>• Digital exclusion a lack of digital access prevents many households from applying for PSR, financial aid, switching energy providers, and accessing energy efficiency programs.</li> <li>• English as a second language.</li> </ul> <p><b>Objectives</b> The project aims to:</p> <ul style="list-style-type: none"> <li>• Achieve in person registrations of 250 vulnerable residents to the Priority Service Register.</li> <li>• Increase awareness and engagement on two fronts – Conduct a Priority Services Register (PSR) awareness campaign and Carbon monoxide dangers reaching 2,000 individuals.</li> <li>• Deliver tailored energy efficiency support – Provide personalized energy advice to 150 residents through one-to-one support.</li> <li>• Improve home safety – Educate 250 individuals on carbon monoxide (CO), reducing health risks associated with CO exposure.</li> <li>• Provide CO alarms – 250 Vulnerable households with no CO alarm will be provide of one free,</li> <li>• Support households with tariff-switching – Assist 50 households in securing cheaper and more sustainable energy plans.</li> <li>• Develop local expertise – Support the training of 5 community Energy Ambassadors with NEA fuel debt in the community training, who will provide ongoing community energy support beyond the project's duration.</li> <li>• Enhance financial resilience – Offer income maximisation services, including benefit entitlement checks, grant applications, and financial advice with a Senior Welfare &amp; Benefits Caseworker to Alan Campbell MP Tynemouth to 100 vulnerable households.</li> </ul>
<p><b>Why the Project is being funded through the VCMA</b></p>	<p>This project qualifies under the criteria for VCMA funding, as it will support a wide range of vulnerable customers who are living in financial hardship and fuel poverty as well as raising awareness of CO and the PSR. As the project has mental wellbeing and financial hardship themes, it aligns with NGN'S Vulnerability Strategy too.</p> <p>NGN's Centre for Warmth approach affords an opportunity for partners to pay, retain and upskill centre staff and volunteers to expand on their current service provision. The aim of which is to empower them to provide the above range of services. Therefore, being able to help their communities with immediate crisis support, to deal with the significant impacts of food and fuel poverty, as well as other financial hardship.</p> <p>There will be no collaboration from other GDN's nor other funded sources.</p> <p><b>Eligibility criteria</b></p>

	<ul style="list-style-type: none"> <li>• This project has a positive SROI</li> <li>• This project will support NGN’s Vulnerability Strategy by aligning with the Financial hardship theme and the wider vulnerability categories of: <ul style="list-style-type: none"> <li>• Financial hardship</li> <li>• Accessibility, including language</li> <li>• Socio-demographic</li> <li>• Cultural</li> <li>• Mental Wellbeing themes</li> <li>• Has defined outcomes as required</li> <li>• Goes beyond NGN’s licence obligations and price control funded mechanisms</li> </ul> </li> </ul>
<p><b>Evidence of stakeholder or customer support</b></p>	<p>Within the Northern Gas Networks region, we serve 2.7 million gas-using households. The socio-economic characteristics of our region mean that we operate in many communities that are amongst the most economically deprived in the whole country. This was a key factor in our prioritising engagement with vulnerable and hard-to-reach groups of customers, telling them about our services, about what we do and how we could improve. Each year, we undertake analysis of all the insight we’ve heard in the previous year to prioritise those issues our stakeholders most want to engage on. Over the past 12-18 months, we’ve done this in a number of ways.</p> <p><b>Customers in Vulnerable Situations (CIVS) Workshops</b></p> <p>Asking our stakeholders what’s important – using our wide range of engagement mechanisms from strategic workshops to customer perceptions, we asked stakeholders to prioritise what is most important to them. Since 2019 we’ve held regular workshops with our stakeholders, on the subject of Customers In Vulnerable Situations (CIVS). This ensures that we are well informed to address the needs of customers across our network and through collaborative projects.</p> <p>The topics of the workshops are listed below:</p> <ul style="list-style-type: none"> <li>• Spending allowances well - Health focus, Energy affordability – 12th September 2023</li> <li>• Energy affordability – staying warm and healthy at home – 21st November 2023</li> <li>• Meeting demand – capacity and resilience – 6th February 2024</li> <li>• Annual Strategic Workshop – April 24</li> </ul> <p>Stakeholder engagement throughout 2023 and 2024 told us that financial hardship, fuel poverty and health were the key areas of focus. In particular directing people towards good quality energy efficiency and fuel poverty advice. With regards to the concern about health this was specifically the link between living in a cold, damp home and the impact on health. Stakeholders also told us that increasing capacity for support within services would be key to addressing the immediate and longer-term impacts of fuel poverty and energy affordability. This project addresses this need and ensures that additional capacity to support households who may be at risk, through a well-established and trusted advice service. This project will also ensure a holistic structured approach, tackling an immediate need to support fuel poor households and customers who are financially struggling</p>

and need extra help to address energy affordability. The project fully aligns with the need to help vulnerable customers in fuel poverty.

Each year we use our annual Customer Perceptions Research to understand the priorities of our customers. Amongst a set of general tracker questions i.e., same questions that are asked year on year, the evidence in the most recent research (Spring 2023), indicated that keeping bills as low as possible ranked more highly, than providing a safe and reliable supply of gas. This is a clear indication, as to how concerned customers are about the cost of energy and the subsequent impact this will have on other bills. Customers were also asked to prioritise the list of vulnerabilities listed below:

- Mental wellbeing
- Rurality
- Temporary vulnerability
- Physical challenges
- Financial Hardship

This was the order of priority from the customers surveyed:

- Financial Hardship
- Physical challenges
- Mental wellbeing
- Rurality
- Temporary vulnerability

Financial hardship continued to be the dimension of vulnerability that most customers prioritised, with more customers in the most recent survey selecting this as their top priority. Physical challenges were second, closely followed by Mental well-being third. Rurality and Temporary vulnerability were ranked fourth and fifth.

Very recent (Autumn 2023) Bespoke Vulnerability Stakeholder Mapping research identified categories of stakeholders that are hard to reach, this included:

- People living with a disability
- Senior citizens with long term conditions
- Pregnancy and maternity
- Mental health

Health conditions which are prevalent in the NGN region are:

- Cancer and chronic kidney disease
- Musculoskeletal conditions
- Respiratory
- Mental health

Through the research carried out, the findings show that the 5 original NGN vulnerability categories have now evolved to 10 categories. These are:

- Physical challenges, inclusive of communication issues, physical space
- Mental wellbeing
- Financial hardship

	<ul style="list-style-type: none"> <li>• Temporary vulnerability – including post hospital recovery and pregnancy / maternity</li> <li>• Socio Demographic</li> <li>• Household composition</li> <li>• Rural Vulnerability</li> <li>• Accessibility Including language</li> <li>• Medical Dependant on Energy</li> <li>• Cultural</li> </ul> <p><b>Independent Stakeholder Group (ISG)</b>  This group previously known as the Customer Engagement Group, provides an independent oversight into the actions we take to support our customers in vulnerable situations. Checking we've got it right – using a range of engagement mechanisms to assess and challenge our response to stakeholder feedback, ensuring we are responding in the right way. This has offered us robust challenges into how we deal with customers in vulnerable situations which meets the needs of our stakeholders. The ISG work with NGN, to create the content of the Customers In Vulnerable Situations (CIVS) workshops, previously detailed in the document.</p> <p><b>Vulnerability Strategy (Updated Spring 2024)</b>  NGN's dedicated Customers in Vulnerable Situations Strategy is continually reviewed to reflect changes in need. The most recent update was in June 24, reflecting the increase in the Vulnerability and Carbon Monoxide Allowance from c£7m to £20m. This ongoing strategy review continues to be informed by Stakeholder feedback. The six strategic principles, detailed below, form the basis of the strategy. Different support mechanisms and approaches have been mapped against each of the six principles, reflecting priority areas from stakeholder feedback.  The six key priority areas identified by our stakeholders are summarised below:</p> <ul style="list-style-type: none"> <li>• Priority Area 1: Increased focus on health</li> <li>• Priority Area 2: Collaboration and linking up partners and funding</li> <li>• Priority Area 3: Increasing capacity for support within partner organisations</li> <li>• Priority Area 4: Connecting and responding to different aspects and complexities of vulnerability</li> <li>• Priority Area 5 – Continued support for those in financial hardship</li> <li>• Priority Area 6 - Scaling up existing projects</li> </ul>
<p><b>Outcomes, associated actions and success criteria</b></p>	<p><b>Outcomes</b></p> <p>2,000 individuals engaged through a PSR awareness campaign.  250 in person PSR registrations.  150 households receive tailored energy efficiency advice.  250 CO detectors provided to reduce carbon monoxide-related risks.  2000 individuals engaged through a CO awareness campaign.  50 households switch to more affordable energy tariffs.  5 NEA-trained Energy Ambassadors delivering ongoing energy advice.  100 Income maximisation support improving financial resilience for vulnerable households.</p>

	<p><b>Success Criteria</b></p> <p>The Quantitative Success will be.</p> <p><b>PSR Awareness &amp; Registration</b>  2,000 individuals engaged in Priority Services Register (PSR) awareness campaigns  250 vulnerable residents successfully registered on the PSR</p> <p><b>Energy Efficiency &amp; Fuel Poverty Reduction</b>  150 households receive tailored energy efficiency advice  50 households switch to more affordable energy tariffs  250 households receive free Carbon Monoxide (CO) alarms  2000 individuals engaged through a CO awareness campaign.</p> <p><b>Health &amp; Well-being Impact</b>  250 individuals educated on CO safety and risks  5 trained Energy Ambassadors providing long-term community support  100 individuals receive income maximisation support to access financial benefits</p> <p><b>Financial Resilience &amp; Support</b>  90% of participating households report improved home warmth and energy savings  100% of households receiving tariff support successfully switch to cheaper plans  100% of households receive advice on income maximisation</p> <p><b>Qualitative Impact (Community-Based Success)</b></p> <p><b>Improved Community Engagement</b>  Residents feel more confident managing their energy bills  People report feeling warmer, safer, and healthier at home  Increased awareness PSR and other financial support schemes.</p> <p><b>Long-Term Sustainability</b>  Energy Ambassadors continue providing advice after project completion  Stronger partnerships with organisations like Citizens Advice, Age UK, Shelter, and North Tyneside Council  Lessons learned are shared with other community organisations to replicate success</p> <p><b>Final Success Measurement</b>  At the end of the project, success will be determined if:  All target numbers are met or exceeded  People report increased warmth, financial stability, and safety  The project continues to benefit residents beyond the funding period</p>
<p><b>Project Partners and third parties involved</b></p>	<p>North Tyneside Council: Referral of vulnerable households and promotion of services.</p> <p>North Tyneside Employment and Skills Team: Workshops and short courses on budgeting, budget cooking, make and mend, repair and reuse.</p> <p>Housing Associations: Identification of tenants in fuel poverty.</p> <p>YMCA North Shields: Engagement with young adults first time living independently.</p> <p>Sheleter: Support for residents with landlord disputes regarding repairs.</p>

	<p>Local Health Services: Support for residents with cold-related health conditions.</p> <p>Age UK North Tyneside: Engagement with elderly residents.</p> <p>Senior Welfare &amp; Benefits Caseworker from Alan Campbell MP Tynemouth Office</p> <p>Citizens Advice North Tyneside: Financial and benefit entitlement checks.</p> <p>The Bay Foodbank for emergency relief of food.</p> <p>North Tyneside Council Adult Welfare Team for referrals.</p>
<b>Potential for new learning</b>	Any learning will be shared with stakeholders, including GDN's, DNO's and water companies.
<b>Scale of VCMA Project and SROI calculations, including NPV</b>	<p>This project has a positive SROI return.</p> <p><b>SROI:</b> £7.91</p> <p><b>NPV:</b> £1,439,993.71</p>
<b>VCMA Project start and end date</b>	March 2025-February 2026
<b>Geographical area</b>	North Tyneside
<b>Internal governance and project management evidence</b>	<p>VCMA Governance Group Meeting: N/A</p> <p>Outcome of meeting: Our Centre For Warmth Strategy was approved at Governance in July 2024. A Centre for Warmth Co-ordinator has been appointed to manage these projects.</p>
<b>Approved by:</b> <b>Job Title:</b>	<p>Eileen Brown</p> <p>Customer Experience Director</p>
<b>Signature:</b>	