

## Project Eligibility Assessment (PEA)

<b>Project title:</b>	Citizens Advice Carlisle and Eden (CACE)-North Cumbria Energy Support
<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>	May 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>In North Cumbria (which comprises of the former local authority districts of Carlisle, Eden, Copeland and Allerdale) there are a number of problems. For example:</p> <p>Areas of high fuel poverty – e.g. using the Low Income High Cost indicatory it is estimated that 2,956 households in Eden are Fuel Poor, 13% of all households (compared to 11.3% of households across the north west and 11.6% for Cumbria).</p> <p>Poor housing stock, unsuitable for some energy efficiency measures (according to the Office of National Statistics 69% of Eden households had an energy efficiency rating of D or below as of March 2021).</p> <p>Lack of awareness of the Priority Services Register (PSR) and carbon monoxide safety – PSR sign-ups in the UK are increasing but there are still concerns about awareness and accessibility, especially in rural areas (e.g. North Cumbria).</p> <p>Lack of access to services due to e.g. rural transport issues results in isolation.</p> <p>Households which are digitally excluded, adding to the inaccessibility of services. Digital access remains a barrier – many eligible customers are unaware of how to register and may not realise they qualify for short term support such as during recovery from surgery or bereavement.</p>
-------------------	--

	<p>Additionally, the cost of living crisis has exacerbated fuel poverty with the amount spent on fuel disproportionately rising (Department for Energy Security and Net Zero data shows the average household in the Cumberland Council area used 2,430 kilowatt-hours (kWh) of electricity and 9,770 kWh of gas to fuel their homes in 2022. Based on the new energy price cap costs introduced on October 1, a Cumberland Council area household will pay around £1,543 per year on energy, this is roughly 42 per cent higher than what a household would expect to pay based on the energy price cap in October 2021, before the cost-of-living crisis).</p> <p>Planned changes to the benefits system in the next 18-24 months will place more vulnerable people in poverty. Government forecasts an additional 250,000 households will be in relative poverty as a result of the welfare reform changes. The Rowntree Trust put this figure at 400,000.</p> <p>Ill-health caused by financial and energy problems, namely stress and anxiety, poor mental well-being, poor sleep, etc.</p> <p><b>Solution</b> Citizens Advice Carlisle and Eden (CACE) provides free, confidential, impartial, and independent advice to the people who live or work in the Carlisle and Eden districts.</p> <p>CACE is involved in the delivery of advice within Cumberland, Cumbria, the North West and England and Wales as a partner of projects run by other local citizens advice offices (LCAs) or national citizens advice (NCA).</p> <p>The project will support customers in vulnerable situations throughout North Cumbria.</p> <p>The service will be widely publicised in order that customers can self-refer. Additionally, partners (such as local authorities, 3<sup>rd</sup> sector, energy companies) will be able to refer customers to CACE.</p>
<p><b>Scope and Objectives</b></p>	<p>The project will operate across North Cumbria, commencing in June 2025 and run until March 2026, with the aim of delivering holistic, person-centred support to households experiencing vulnerability due to financial hardship, health conditions, disability, or social isolation.</p> <p>CACE cover Carlisle and Eden districts but will work in partnership with neighbouring LCAs in Copeland and Allerdale to ensure people across North Cumbria can access these services.</p> <p>The project will enable vulnerable customers to receive the following advice and support:</p> <ul style="list-style-type: none"> <li>• <b>In-home energy efficiency advice:</b> tackling condensation/damp, efficient appliance use</li> <li>• <b>Assistance in accessing industry funding:</b> Warm Homes Discount, Energy Company Obligation</li> <li>• <b>Support in maximizing household income:</b> benefit entitlement checks, claims support, energy debt management</li> <li>• <b>Benefits Advice:</b> Benefits entitlement check, benefits application (including PIP, Universal Credit) MR and appeals</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 energy efficiency and the PSR.</p> <p>There will be no collaboration from other GDN’s nor other funded sources.</p> <p><b>Eligibility criteria</b>  This project has a positive SROI  This project will support NGN’s Vulnerability Strategy by aligning with the Financial hardship theme and the wider vulnerability categories of:</p> <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</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.</p> <p>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>  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:  Spending allowances well - Health focus, Energy affordability-12th September 2023  Energy affordability-staying warm and healthy at home-21st November 2023  Meeting demand-capacity and resilience-6th February 2024  Annual Strategic Workshop-April 24  GDN VCMA Showcase event-18th July 2024-online  NGN Annual Stakeholder Conference-12th September 2024-Hybrid (online and in person)  NGN Annual Open Day-16th October 2024-in person  CIVS Hot Topic Workshop – 10th December 2024 – Behind Closed Doors – making every contact count - online</p>

Annual Strategic Review and Planning Workshop 2025-13th May 2025-online  
Supporting Communities Together, NGN Annual Open Day-10th June 2025-in person  
GDN VCMA Showcase event-9th July 2025-online

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 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.

(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
- Temporary vulnerability – including post hospital recovery and pregnancy / maternity
- Socio Demographic
- Household composition
- Rural Vulnerability
- Accessibility Including language
- Medical Dependant on Energy
- Cultural

#### **Independent Stakeholder Group (ISG)**

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.

#### **Vulnerability Strategy (Updated Spring 2024)**

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

	<p>of the strategy. Different support mechanisms and approaches have been mapped against each of the six principles, reflecting priority areas from stakeholder feedback.</p> <p>The six key priority areas identified by our stakeholders are summarised below:</p> <p>Priority Area 1: Increased focus on health</p> <p>Priority Area 2: Collaboration and linking up partners and funding</p> <p>Priority Area 3: Increasing capacity for support within partner organisations</p> <p>Priority Area 4: Connecting and responding to different aspects and complexities of vulnerability</p> <p>Priority Area 5 – Continued support for those in financial hardship</p> <p>Priority Area 6 - Scaling up existing projects</p>
<p><b>Outcomes, associated actions and success criteria</b></p>	<p><b>Outcomes</b></p> <p>The project will:</p> <ul style="list-style-type: none"> <li>• Alleviate the effects of poverty on vulnerable customers by providing quality benefit advice and thus increasing their incomes</li> <li>• Help vulnerable customers to better budget for essential living costs by sound financial planning and debt advice (including applying for debt write-off)</li> <li>• Assist customers to deal with life’s emergencies by working with them to identify and apply for suitable grants, e.g. to replace white goods that no longer work with energy efficient models</li> <li>• Improve access to advice services by offering a variety of different delivery channels e.g. telephone, email, face to face, outreach, home visits</li> <li>• Raise awareness of the PSR and carbon monoxide safety by providing energy efficiency information and advice - CACE will ensure that information regarding the new PSR standards introduced in April 2025 will be publicised widely and will complete the CO survey with customers.</li> </ul> <ul style="list-style-type: none"> <li>• Soft benefits – e.g.</li> <li>• Improved capability to manage</li> <li>• Reduced stress and anxiety</li> <li>• Improved emotional well-being</li> <li>• Better access to health care</li> <li>• Improved living conditions</li> <li>• Reduced risk of homelessness</li> <li>• Increased financial resilience</li> </ul> <p><b>Success criteria</b></p> <p>Meeting the above outcomes would be a measure of success.</p> <p>The project will deliver substantial benefits to vulnerable households and contribute to NGN's goals of innovation, efficiency, and environmental sustainability.</p> <p>Expected financial gains as follows:</p> <ul style="list-style-type: none"> <li>• Benefit gains of £200k</li> <li>• Amount of debt supported £3.5m</li> </ul>

	<ul style="list-style-type: none"> <li>• Amount of debt written off £362k</li> <li>• Energy Savings £150k</li> <li>• Other financial gains £3k</li> </ul>
<b>Project Partners and third parties involved</b>	<p>Citizens Advice Copeland</p> <p>Citizens Advice Allerdale</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>SROI: £8.97</p> <p>NPV: £1,768,717.25</p>
<b>VCMA Project start and end date</b>	June 2025-March 2026
<b>Geographical area</b>	North Cumbria – Carlisle, Eden, Copeland and Allerdale
<b>Internal governance and project management evidence</b>	<p>VCMA Governance Group Meeting: 27<sup>th</sup> May 2025</p> <p>Outcome of meeting: <b>Approved</b></p>
<b>Approved by:</b> <b>Job Title:</b>	<p>Eileen Brown</p> <p>Customer Experience Director</p>
<b>Signature:</b>	