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Energy Matters

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Vulnerability and Carbon Monoxide Allowance (VCMA) Project Eligibility Assessment (PEA)



 <p>Fuel Poverty and Energy</p>	<p>Carbon Monoxide Awareness</p> 
 <p>Supporting Priority Customer</p>	<p>Services Beyond the Meter</p> 

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Project registration table

Project summary	
Project title	Energy Matters
Strategic Area	Fuel Poverty and Energy Affordability
Funding GDN(s) The GDN(s) which register(s) the project	Northern Gas Networks (NGN)
New/Updated State whether this is a new or updated PEA (indicate as appropriate by removing the option that does not apply)	New
Collaborative VCMA Projects Specific role(s) of GDN(s) participating in a collaborative VCMA Project	N/A
Date of PEA submission This needs to be the initial date of a first project submission	June 2026
Project start and end date	1 April 2026 – 31 March 2028
Project location	Yorkshire
Sectors involved	Distribution Network Operator Gas Distribution Network Consumer Group Charitable Organisation Local Authority Water Supplier Telecommunications Provider Other (specify)
Project contact	
Name	Laura Ratcliffe
Contact details	vcma@northerngas.co.uk
Project partners and third parties involved	
Organisation name	Role
Groundwork Yorkshire	Delivery partner
Costs and funding	
Total cost (£k)	£50,000
Total VCMA funding required (£k)	£50,000

Total BAU vulnerability and CO safety activity baseline allowance funding by activity (£k)	£0.00
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Problem(s)

Northern Gas Networks' ambition under its Fuel Poverty and Energy Affordability strategic theme is to support customers in vulnerable situations to access safe, affordable warmth while reducing exposure to carbon monoxide (CO) risk.

Rising energy costs and ongoing cost-of-living pressures continue to place significant financial strain on households across Yorkshire. Many customers are experiencing or are at risk of fuel poverty, particularly those on low incomes, those with health conditions, older people, and households facing multiple vulnerabilities.

Households often experience interconnected challenges, including:

- Difficulty affording energy bills and managing consumption
- Fuel debt and wider financial hardship
- Living in energy inefficient homes
- Limited awareness of available support such as the Priority Services Register (PSR)
- Increased health risks associated with cold homes, damp and CO exposure

These issues rarely occur in isolation, meaning customers require holistic, tailored support to address both immediate needs and long-term resilience. Without targeted intervention, households risk worsening vulnerability, increased debt, and greater exposure to safety risks.

Scope and objectives

This VCMA project will address these challenges through the delivery of a coordinated, holistic support service across Yorkshire.

Working with Northern Gas Networks, Groundwork Yorkshire will support vulnerable households experiencing fuel poverty, financial hardship and health-related vulnerability by:

- Introducing a dedicated Green Doctor service providing home visits and remote consultations
- Delivering tailored energy advice including energy efficiency, tariff switching and behavioural change
- Providing income maximisation and debt support
- Supporting access to grants, fuel vouchers and wider services
- Increasing awareness and uptake of the Priority Services Register
- Delivering carbon monoxide awareness and safety advice

Project objectives

- Deliver 300 tailored interventions per year
- Reduce energy costs and improve energy efficiency
- Improve household financial resilience through income maximisation
- Increase PSR registrations and safeguarding support
- Raise awareness of carbon monoxide risks
- Improve health and wellbeing outcomes for vulnerable households

Project design engagement

Targeting vulnerability support

NGN has identified the need for this project through stakeholder engagement, customer insight and previous VCMA delivery. Evidence demonstrates that fuel poverty is closely linked to wider financial and health vulnerabilities, requiring targeted intervention.

Evidence of stakeholder and/or customer support

Groundwork Yorkshire's Green Doctor model has demonstrated sustained demand for integrated support services. Stakeholder feedback highlights the importance of accessible, locally delivered, in-person and tailored advice for vulnerable customers.

Stakeholder project design input

The project has been shaped through collaboration and learning from previous delivery, incorporating:

- A holistic support model combining energy, financial and health support
- A case-led approach ensuring sustained engagement
- Flexible delivery methods including in-home and remote support
- Strong referral pathways to local support networks

Why the project is being funded through the VCMA

This project meets VCMA eligibility criteria as it provides targeted, preventative support to households in vulnerable situations, focusing on fuel poverty, financial hardship and carbon monoxide risk.

The project aligns with NGN’s collaborative vulnerability strategy, supporting the ambition to keep customers safe and warm while improving long-term resilience.

It aligns with key objectives:

- Help more vulnerable households access energy safeguarding services
- Support customers’ move towards net zero through tailored energy advice
- Improve awareness and reduce the risks associated with carbon monoxide

It contributes to NGN’s priority delivery areas:

- Providing direct services for customers
- Reducing carbon monoxide harm
- Supporting priority vulnerable groups
- Tackling fuel poverty and affordability

How VCMA funding complements or supplements BAU activities

This project is additional to NGN’s baseline activity and does not duplicate existing services.

VCMA funding enables:

- Delivery of targeted, intensive interventions not available through BAU
- A holistic advice model covering energy, income and health
- Increased PSR promotion and CO awareness activity

All activity is clearly separate from baseline allowance funding, ensuring no risk of double funding.

For individual GDN VCMA Projects:

[Justification for why the project should not be collaborative](#)

This project is designed specifically for the needs of vulnerable households across Yorkshire within the NGN network.

The delivery model reflects:

Localised vulnerability and fuel poverty challenges

Established relationships and referral pathways

Groundwork Yorkshire’s existing delivery infrastructure

As such, it is most effectively delivered as an NGN-led project rather than a cross-GDN collaboration.

Outcomes, associated actions and success criteria

NGN and Groundwork Yorkshire will undertake monthly and quarterly performance reviews to ensure successful delivery.

Key outcomes expected from this project:

Outcome	Annual Target
Home visits	275
Telephone/video consultations	25
Total interventions	300
PSR registrations/referrals	175
CO awareness / feedback forms	175
Community engagement activity	20

Success Criteria

The project will be deemed successful if:

- 300 interventions are delivered annually
- Home visit and consultation targets are met
- 175 PSR registrations/referrals are achieved
- 175 CO awareness interventions are delivered
- Monitoring data demonstrates delivery against targets
- Quarterly reporting requirements are met

Potential for new learning

This project will generate learning in relation to:

- The effectiveness of holistic, in-home energy advice models
- Integration of energy, financial and health support
- Increasing PSR uptake through trusted engagement
- Embedding CO awareness into wider support services

- Customer behaviour change and long-term energy affordability

Learning will be shared through:

- Quarterly reporting and internal NGN reviews
- VCMA reporting requirements
- Stakeholder engagement and collaboration forums

Aligning with and supporting wider vulnerability approaches

This project aligns with broader energy industry and third-sector approaches through a preventative, person-centred delivery model.

It supports:

- Increased access to energy safeguarding services
- Reduction in fuel poverty and financial hardship
- Improved awareness of CO risk

It complements wider activity by local authorities, charities and utility partners, filling gaps in provision through accessible, community-based delivery.

Monitoring and evaluation

NGN will work in partnership with Groundwork Yorkshire to monitor and evaluate the project through:

- Quarterly performance and output reporting
- Monitoring of KPIs and delivery targets
- Review of customer outcomes and case studies
- Ongoing stakeholder engagement

Evaluation will assess:

- Impact on energy affordability
- Financial outcomes for households
- Improvements in safety and wellbeing
- Overall effectiveness of delivery model

Scale of VCMA project and SROI calculations, including NPV

NGN has applied the industry-standard Social Value Framework and GDN Rulebook to assess the project.

Social value measurement

Total cost*	£50,000
Total gross present value	£301,990.39
Net Present Value (NPV)	£251,577.13
SROI	£4.99

*Accounting for inflationary factors over the term of the project.

Internal governance and project management evidence

All VCMA projects are subject to NGN's internal governance and assurance process, including:

- Strategic alignment checks
- SROI assessment
- Independent review and approval

Following approval:

- Projects are managed by NGN VCMA Project Coordinators

- Delivery is monitored through regular reporting and engagement

Initial:

Approver (Name and Role)	Date
Eileen Brown, Customer Experience Director	April 2026

Eligibility Criteria

Eligibility Criteria	Description	Project qualifies Yes / No
Positive SROI	Have a positive, or a forecasted positive, Social Return on Investment (SROI) calculated in accordance with a model which the GDNs have developed and submitted to Ofgem including for the gas consumers funding the VCMA Project	YES
Positive NPV	Have a positive, or a forecasted positive Net Present Value (NPV)	YES
Support Criteria	Either: <ul style="list-style-type: none"> i. provide support to consumers in Vulnerable Situations and relate to Energy Safeguarding, or ii. provide support for those most at risk of being left behind in the transition to net zero, or iii. provide awareness of, and education on, the dangers of CO beyond the activities funded as business as usual (BAU) through baseline allowances, or iv. reduce the risk of harm caused by CO 	YES
Defined Outcomes	Have specific, measurable, and time-bound outcomes which align with relevant Consumer Vulnerability Strategy objectives to achieve the requirements set out in paragraph b;	YES
Beyond Other Funding	Go beyond activities that are funded through other price control mechanism(s), including baseline allowance funding, or required through licence obligations	YES
Support or Align	Support or align with approaches to vulnerability taken by the wider energy industry, other utilities and/or consumer organisations, and	YES

	local, national and devolved government, or evidence innovation or a gap in vulnerability support provision;	
No Other External Funding	Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding	YES
BAU vulnerability and CO safety activities	Where a GDN's BAU vulnerability and CO safety activities are funded through baseline allowances, these are not suitable for funding through the VCMA. The GDN is permitted to use VCMA funds to supplement or complement its BAU activities, however, it must ensure that its reporting provides sufficient evidence to prevent double funding.	YES

Eligibility criteria for company specific essential gas appliance servicing

Eligibility Criteria	Description	Project qualifies Yes / No or N/A
Servicing must meet the following criteria:	Either: <ul style="list-style-type: none"> i. A GDN has had to isolate and condemn an essential gas appliance following a supply interruption or as part of its emergency service role; or ii. A GDN or its Project Partner has identified an essential gas appliance which has not been serviced in the last 12 months in the owner-occupied home of a customer in a Vulnerable Situation where an occupier of the property suffers from a permanent or temporary health condition¹² that makes them more vulnerable to health risks associated with cold homes; or iii. A GDN or its Project Partner has identified an essential gas appliance which has not been serviced in the last 12 months in a tenant-occupied home of a customer in a Vulnerable Situation where it is the tenant’s responsibility to maintain the essential gas appliance, where an occupier of the property suffers from a permanent or temporary health condition that makes them more vulnerable to health risks associated with cold homes 	N/A
Affordability	The household cannot afford to service the essential gas appliance, as assessed against the affordability criteria set out in the VCMA governance document	N/A
Funding	Sufficient funding is not available from other sources (including a social or private landlord and national, devolved, or local government funding) to fund the essential gas appliance servicing	N/A

Eligibility criteria for company specific essential gas appliance repair and replacement

Eligibility Criteria	Description	Project qualifies Yes / No or N/A
Unsafe pipework and essential gas appliance repair or replacement must meet the following criteria:	Either: <ul style="list-style-type: none"> i. GDN has had to isolate and condemn unsafe pipework or an essential gas appliance following a supply interruption or as part of its emergency service role; or ii. ii. iii. A GDN or its Project Partner has had to condemn unsafe pipework, or an essential gas appliance, following an essential gas appliance service (as described in 3.19 of the VCMA governance document) 	N/A
Health condition	Either: <ul style="list-style-type: none"> i. The occupier of the property suffers from a permanent or temporary health condition that makes them more vulnerable to health risks associated with cold homes and has a household income of £31,000 or below in 2025/26 prices, adjusted for inflation using Consumer Price Index with Housing costs (CPIH) 13, or ii. the household cannot afford to service the essential gas appliance, as assessed against the affordability criteria set out in Appendix 1 of the VCMA governance document 	N/A
Funding	Sufficient funding is not available from other sources (including national, devolved, or local government funding) to fund the unsafe pipework or the essential gas appliance repair or replacement.	N/A