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North Cumbria Energy Support

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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	North Cumbria Energy Support
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 2027
Project location	North Cumbria – Carlisle & Eden district
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
Citizens Advice Carlisle & Eden (CACE)	Lead project partner
Costs and funding	
Total cost (£k)	£70,000
Total VCMA funding required (£k)	£70,000

Total BAU vulnerability and CO safety activity baseline allowance funding by activity (£k)	£0
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Problem(s)

Northern Gas Networks (NGN) is committed to keeping customers safe, warm, and supported, particularly those experiencing vulnerability, fuel poverty, or affordability challenges. Aligned to NGN's strategic ambitions under the themes of Fuel Poverty and Energy Affordability, Supporting Priority Customers, and Carbon Monoxide (CO) Safety, this project seeks to address multiple interlinked problems faced by households across North Cumbria.

Across Carlisle and Eden, high levels of financial hardship, low income, and rising essential living costs mean many customers struggle to manage household bills and maintain financial stability. Many vulnerable customers are unable to access timely, high-quality benefits, budgeting, or debt advice, leaving them at increased risk of falling into crisis

The previous NGN-funded project delivered by Citizens Advice Carlisle & Eden (CACE) demonstrated strong demand for integrated support covering income maximisation, debt advice, emergency grants, PSR engagement, and CO awareness. Building on these learnings, the continuation and refinement of this service are essential to address the persistent need within the region, ensure vulnerable households receive tailored assistance, and strengthen community resilience.

Scope and objectives

The project will address the challenges identified in the problem statement by delivering a coordinated package of support designed to reduce fuel poverty, improve financial resilience, increase safety awareness, and strengthen access to essential services for vulnerable customers across North Cumbria.

Working with NGN, Citizens Advice Carlisle & Eden (CACE) will support vulnerable households across the Carlisle and Eden district by:

- Introducing a dedicated energy advice team to provide high-quality benefits advice, income maximisation checks, and casework support, helping customers to increase their financial stability.
- Delivering targeted community engagement through telephone, email, face-to-face appointments, outreach sessions, and home visits to ensure customers can access support through multiple routes.
- Providing tailored budgeting and debt advice, including debt-relief application support and guidance on managing essential living costs.
- Offering CO safety advice and completing CO surveys to improve awareness of symptoms, prevention, and safety actions, reducing the risk of CO-related harm.
- Raising awareness of the Priority Services Register (PSR) and supporting customers to understand eligibility, benefits, and how to register, with a focus on accurately capturing and verifying needs.
- Supporting customers in crisis situations by identifying emergency needs and assisting with grant applications, hardship schemes, and access to white goods or essential household support.
- Delivering personalised energy efficiency advice to help customers reduce consumption, manage costs, and improve comfort and safety in their homes

The above project scope will:

- Increase household income through verified income maximisation outcomes for at least 160 customers, improving financial stability for vulnerable households
- Reduce fuel poverty by providing 420 customers with tailored energy efficiency advice and support in managing essential living costs.
- Improve safety outcomes by delivering CO awareness to at least 210 customers and completing CO surveys to reduce risks associated with carbon monoxide exposure
- Enhance safeguarding and resilience by increasing PSR awareness among 420 customers and completing a minimum of 210 PSR registrations with accurate needs assessments.
- Strengthen crisis response capacity by supporting at least 42 customers to access emergency financial support, grants, or essential goods
- Improve financial wellbeing through delivering debt advice to at least 100 customers, helping them understand and implement debt solutions.
- Increase access to wider support services by completing at least 70 high-quality referrals to partner agencies with warm handovers where appropriate.
- Ensure accessible, inclusive support through multi-channel delivery, enabling harder-to-reach households to receive advice and assistance regardless of location or personal circumstances.

Project design engagement

Targeting vulnerability support:

NGN has identified the vulnerability need addressed by this VCMA project through a combination of consumer insight, stakeholder engagement, learning from the previous North Cumbria project, and analysis of vulnerability data across the Carlisle and Eden region.

Insights from the earlier NGN-funded CACE project showed consistently high demand for income maximisation, debt advice, PSR support, and CO awareness, demonstrating that many households continue to struggle with low income, high living costs, and limited access to specialist services. The volume of customers requiring intensive casework and emergency support highlighted significant pockets of unmet vulnerability in the community, particularly among those living in rural areas with limited transport and digital access.

NGN's own strategic vulnerability mapping and demographic analysis reinforce this picture, identifying North Cumbria as an area with above-average fuel poverty levels, higher proportions of older customers, and households facing financial insecurity. Consumer research across the network has repeatedly shown that customers in vulnerable situations often lack awareness of safeguarding services such as the PSR and need more personalised, accessible support to manage essential energy costs and avoid crisis.

Evidence of stakeholder and/or customer support:

The design of this project has been shaped by a wide range of stakeholders, each confirming the continued need for specialist, accessible support for vulnerable households in North Cumbria.

Citizens Advice Carlisle & Eden (CACE) provided detailed evidence from the delivery of the previous project, demonstrating sustained demand for benefits advice, debt casework, crisis intervention, and CO awareness activity. Their frontline staff reported increasing complexity in cases, with more customers presenting with multiple vulnerabilities and limited financial resilience.

Local authorities within Carlisle and Eden have endorsed the ongoing need for accessible financial and energy advice, particularly for households facing rising costs and long-term affordability challenges. Third-sector organisations have also supported the continuation of the service, noting that CACE is a trusted provider capable of reaching isolated and underserved communities. Energy suppliers with referral pathways into CACE have similarly confirmed the value of the project in supporting customers at risk of energy debt or disconnection.

Stakeholder project design input:

Stakeholders played an active role in shaping the design of this updated project, helping to identify where refinements and improvements would most effectively target vulnerability.

CACE provided insight into delivery challenges and improvement opportunities from the previous project cycle. Their feedback led to stronger emphasis on:

- expanding outreach to reach more rural communities
- enhancing home-visit capacity for customers with mobility or access barriers
- strengthening CO survey delivery to provide more structured safety interventions
- refining debt casework support to respond to increasing financial pressures

Local authority and third-sector partners influenced the decision to maintain a multi-channel approach, confirming that vulnerable households rely on a blend of telephone, in-person, and community-based support to access services effectively.

Why the project is being funded through the VCMA

This project meets the VCMA eligibility criteria because it directly addresses the needs of customers in vulnerable situations across North Cumbria and supports NGN’s strategic ambition to keep communities safe, warm, and financially secure, both now and in the transition to a green energy future. The project provides targeted support that goes beyond NGN’s business-as-usual activities and delivers measurable social value in line with the VCMA governance requirements.

The service delivered by Citizens Advice Carlisle & Eden (CACE) focuses on helping households who are facing financial hardship, fuel poverty, limited access to advice, and heightened safety risks. These needs closely align with the core purpose of the VCMA mechanism, which is to enable Gas Distribution Networks to provide additional support to customers at greatest risk of being left behind.

The project aligns with four key objectives within the collaborative GDN vulnerability strategy:

1. **Help more vulnerable households access energy safeguarding services**
The project increases access to the Priority Services Register (PSR) and ensures customers understand eligibility, benefits, and how to register. It also provides tailored needs assessments, crisis support, and warm referrals to specialist services.
2. **Reduce carbon monoxide harm**
By delivering CO safety information and completing CO surveys, the project directly reduces the risk of CO exposure, increases awareness of symptoms and prevention methods, and strengthens household safety.
3. **Support priority vulnerable groups**
Vulnerable customers, including those on low incomes, individuals experiencing crisis, and residents in rural or isolated communities, receive personalised support through multi-channel delivery including home visits, outreach sessions, and casework.
4. **Tackle fuel poverty and affordability**
Income maximisation, benefits claims, debt advice, budgeting support, and energy efficiency guidance all directly address fuel poverty and improve affordability for households across Carlisle and Eden.

These objectives sit within NGN’s four priority delivery areas, which this project directly contributes to:

- 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

NGN's BAU vulnerability and CO safety activities focus on meeting minimum licence requirements: maintaining the Priority Services Register (PSR), providing general CO safety messaging, and ensuring emergency CO and gas safety responses. These baseline activities provide important core protections, but they do not include the specialist advice, targeted community engagement, or intensive casework needed to address the complex vulnerabilities present across Carlisle and Eden.

The North Cumbria Energy Support project goes significantly beyond these BAU obligations. VCMA funding enables a specialist, multi-strand service that tackles financial vulnerability, fuel poverty, safeguarding, and CO risk in a way that BAU activities cannot deliver.

For individual GDN VCMA Projects:

Justification for why the project should not be collaborative

The North Cumbria Energy Support project is designed specifically to address the unique vulnerability profile, local geography, and service gaps present within the Carlisle and Eden district of the NGN network area. These characteristics mean that the project is most appropriately delivered as an individual NGN VCMA project, rather than a collaborative initiative with other Gas Distribution Networks (GDNs).

Evidence gathered through the previous CACE project demonstrates that the Carlisle and Eden area experiences a combination of challenges not mirrored in the same way across neighbouring GDN regions. These include:

- rural isolation and limited transport links
- high levels of fuel poverty
- low incomes and financial instability
- limited access to specialist in-person advice services
- a higher proportion of older or medically vulnerable customers

These conditions require a local, embedded advice model tailored specifically to North Cumbria communities. Other GDN areas do not share this exact configuration of rurality, risk, and limited local support, meaning a collaborative project would be less targeted and less effective.

Outcomes, associated actions and success criteria

CACE and NGN will carry out monthly reporting reviews on measurable outcomes against targets to ensure successful delivery. Quarterly reviews will provide the opportunity for more in-depth analysis

and the ability to highlight insights and learnings to share, as well as identify any risks and requirement for any associated actions to mitigate these.

Key outcomes expected from this project:

Outcome	Annual Target
PSR Registrations	210
Income Maximisation	160
Debt Advice	100
Energy Efficiency Advice	420
Access to other funding	42
Referrals for other support	70
PSR Registrations	210
Income Maximisation	160
Debt Advice	100

Success Criteria

- The project delivers high-quality, accessible support to vulnerable customers across North Cumbria.
- Customers report improved confidence, understanding and ability to manage energy, finances and safety.
- PSR awareness and safeguarding engagement increase across the region.
- CO safety knowledge improves and households demonstrate better understanding of risks and prevention.
- Customers experience greater financial stability as a result of receiving tailored advice and support.
- Referral pathways with partners operate effectively, ensuring customers receive joined-up support.
- Monitoring shows strong customer engagement, accurate reporting, and consistent delivery standards throughout the project.

Potential for new learning

The North Cumbria Energy Support project offers valuable opportunities for NGN to generate new insight into how best to support vulnerable customers in rural and financially pressured communities.

NGN expects to learn more about:

- Effective engagement methods for reaching rural and isolated customers through multi-channel delivery, home visits and community outreach.
- How integrated advice models work in practice, particularly the impact of combining income maximisation, debt support, PSR engagement and CO awareness within a single service.
- The role of CO surveys within advice appointments, including how they influence customer understanding and household safety behaviour.
- Patterns of vulnerability across Carlisle and Eden, including common triggers for financial crisis and barriers to accessing support.
- Improved referral pathways, identifying which partner organisations deliver the best outcomes for specific customer needs

Aligning with and supporting wider vulnerability approaches

The North Cumbria Energy Support project aligns strongly with wider approaches to vulnerability across the energy sector, other utilities, local government, and national consumer support frameworks. It supports shared priorities around fuel poverty reduction, safeguarding, financial resilience, and carbon monoxide (CO) safety.

The project complements wider industry approaches by:

- Strengthening safeguarding and PSR engagement, supporting the national Priority Services Register framework used across all energy suppliers and networks to protect customers with additional needs.
- Enhancing CO safety awareness, aligning with cross-industry campaigns to reduce CO harm through education, prevention, and early identification of risks.
- Reducing fuel poverty, in line with national and local government anti-poverty strategies, including support for households facing rising costs and financial hardship.
- Providing holistic advice, similar to models promoted by other utilities, local authorities, and consumer organisations which emphasise integrated support for vulnerable households.
- Supporting net-zero preparedness, helping customers better understand energy use, efficiency, and affordability—key priorities shared across the wider utility sector.

The project also addresses gaps in local provision, particularly in rural areas where access to advice is limited and customers often face multiple barriers to engaging with services. By delivering outreach, home visits, and multi-channel support, the project fills an identified need that other agencies are not currently resourced to meet.

Monitoring and evaluation

NGN will work closely with CACE to monitor delivery, track outcomes, and evaluate the project’s effectiveness throughout the 12-month period. Monitoring will ensure that support reaches vulnerable customers, targets are achieved, and the service remains high-quality and responsive to need.

- Monitor quarterly reports of all output metrics
- Review case studies
- Evaluate customer impact and financial improvements

Scale of VCMA project and SROI calculations, including NPV

NGN have applied the Industry Standard Social Value Framework and GDN Rulebook, developed collaboratively, to assess the financial and wellbeing outcomes associated with the project, ensuring consistency and comparability across networks.

Based on forecast outcomes and costs, the project is expected to deliver a Social Return on Investment (SROI) of £4.90 for every £1 invested, demonstrating that the scale of investment is proportionate to the benefits delivered for customers across participating in our network.

Social value measurement

Total cost*	£70,000
Total gross present value	£402,329.24
Net Present Value (NPV)	£334,163.74
SROI	£4.90

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

Internal governance and project management evidence

All VCMA project proposals submitted to Northern Gas Networks are subject to a robust internal review and assurance process to ensure strategic alignment, value for money, and compliance with VCMA eligibility criteria.

Where a proposal meets this required criteria, a Social Return on Investment (SROI) calculation is undertaken in line with NGN’s approved methodology to evidence a positive social impact and value for consumers funding the VCMA programme.

They are then sent to an external governance panel for an independent scrutiny. The panel meets quarterly and consists of sector specialists with a good understanding of VCMA. This ensures the project aligns with NGN’s Customers in Vulnerable Situations objectives and delivers meaningful outcomes for households at risk of fuel poverty and vulnerability.

Following approval, the project is managed and overseen by VCMA Project Coordinators at NGN. Ongoing delivery is monitored through a structured performance management framework, which includes:

- Submission of quarterly monitoring reports by the partner organisation, detailing activity, outputs, outcomes, and progress against agreed targets.
- Regular one-to-one meetings between NGN and the project partner to review delivery, address any challenges, and provide ongoing support and assurance, including any risks on delivery and associated mitigation.
- Participation in regular NGN partner network calls, enabling partners to share best practice, learning, and innovative approaches, while supporting continuous improvement across the network.

This approach ensures strong governance, effective delivery oversight, and continuous learning, while maintaining alignment with NGN’s wider VCMA objectives of delivering positive and measurable social impact for customers and communities.

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: <ol 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 local, national and devolved government, or evidence innovation or a gap in vulnerability support provision;	Yes
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