

Start date: April 2026





PEA reference: V.PC2.64.A3.002.002.Ce.N

Energy Confident

////////////////////////////////////

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> 

Contents

Contents	2
Project registration table	3
Problem(s).....	5
Scope and objectives	5
Project design engagement.....	6
Why the project is being funded through the VCMA.....	6
How VCMA funding complements or supplements BAU activities.....	7
For individual GDN VCMA Projects:	7
Outcomes, associated actions and success criteria	8
Potential for new learning.....	9
Aligning with and supporting wider vulnerability approaches	9
Monitoring and evaluation	9
Scale of VCMA project and SROI calculations, including NPV	9
Internal governance and project management evidence	10
Eligibility Criteria	11

Project registration table

Project summary	
Project title	Energy Confident
Strategic Area	Supporting Priority Customers
Funding GDN(s) The GDN(s) which register(s) the project	Northern Gas Networks
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	Leeds
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
DIAL Leeds Ltd	Lead project partner
Trussell Trust Foodbanks (Leeds)	Key third-party partner.
Costs and funding	
Total cost (£k)	£12,951.84
Total VCMA funding required (£k)	£12,951.84

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

Problem(s)

NGN's strategic ambition is to keep communities safe, warm and supported, focusing on four priority areas: tackling fuel poverty, providing direct customer support, reducing carbon monoxide harm, and improving safeguarding for vulnerable households. In line with this strategic theme, the Energy Confident project addresses significant challenges faced by some of the most marginalised residents in Leeds.

DIAL Leeds is a Disabled People's User Led Organisation (DPULO) providing empowering peer support for disabled people in Leeds. They work primarily with individuals who:

- have severe mental health challenges
- experience substance misuse issues
- have no access to phones or online services
- have low literacy levels
- only access advice by attending foodbank sessions

These individuals are often disconnected from mainstream services, meaning they miss out on essential welfare support, energy safeguarding schemes, and financial assistance. The project is designed specifically to overcome these barriers and deliver targeted support that aligns directly with NGN's vulnerability strategy.

Scope and objectives

Working with NGN, DIAL Leeds Ltd will support vulnerable residents in Leeds by:

- Delivering tailored welfare benefit advice, income-maximisation support, and assistance with appeals
- Providing one-to-one, relationship-based support to build trust and maintain long-term engagement
- Offering energy safeguarding guidance, including support to access the Warm Home Discount, Winter Fuel Payments and Cold Weather Payments
- Delivering carbon monoxide awareness sessions and completing CO safety questionnaires
- Promoting the Priority Services Register (PSR) and supporting eligible households with sign-up
- Facilitating fire safety referrals and raising awareness of wider home-safety measures
- Advising on energy debt and creating clear, structured pathways to appropriate assistance

The above project scope will:

- Reduce fuel poverty by increasing access to financial support and energy safeguarding measures
- Increase customer safety through CO awareness, PSR registration and fire safety referrals
- Enhance wellbeing by improving financial resilience and lowering household stress
- Provide targeted support to those least likely to engage with mainstream services

Project design engagement

Targeting vulnerability support:

NGN has identified the vulnerability need for this project through a combination of consumer research, frontline insights, and data-led understanding of households most at risk. Internal analysis of Priority Services Register eligibility, debt-related contact trends, CO incident patterns, and energy affordability data highlighted that disabled residents in Leeds—particularly those relying on foodbanks—face some of the highest barriers to accessing safeguarding services. This was reinforced by lived-experience feedback from DIAL Leeds caseworkers and evidence from Trussell Trust volunteers, who consistently reported high levels of digital exclusion, unmanageable debt, and limited awareness of available support. The project therefore targets a cohort that traditional services often fail to reach.

Evidence of stakeholder and/or customer support:

Development of the project has been shaped by extensive stakeholder engagement. Key organisations—including DIAL Leeds, Trussell Trust Foodbanks, and community welfare advisers—provided input on the scale of local need, the complexity of barriers, and the type of interventions most likely to have meaningful impact. Feedback from disabled residents emphasised the importance of trusted, local, peer-led support, as well as the need for clear, accessible guidance on energy safeguarding.

Stakeholder project design input:

Stakeholders were directly involved in shaping the design and delivery model of the project. DIAL Leeds contributed detailed insight into customers' behavioural barriers and best-practice approaches to building trust. Foodbank partners advised on engagement routes, session timings, and operational considerations to ensure accessibility. Welfare advisers influenced the inclusion of benefit health checks, energy debt pathways, and personalised support planning. Where differing views arose—such as the balance between outreach and appointment-based support—NGN adopted a blended approach that ensured both scalability and customer-centred flexibility, while aligning with NGN's strategic vulnerability objectives.

Why the project is being funded through the VCMA

This VCMA project meets all eligibility criteria as it delivers clear, measurable benefits for vulnerable customers while aligning directly with NGN's strategic ambition to keep communities safe, warm, and supported. It addresses energy affordability, CO safety, and access to safeguarding services—priority areas identified within NGN's vulnerability strategy.

The project meets VCMA eligibility criteria because it:

- **Aligns with NGN’s vulnerability strategy** by targeting disabled and highly marginalised residents who face the greatest barriers to accessing energy safeguarding, income maximisation and CO safety support.
- **Supports priority vulnerable groups**, including people with severe mental health conditions, digital exclusion, low literacy, and those only engaging through crisis points such as foodbanks.
- **Delivers specific, measurable and time-bound outcomes**, including PSR registrations, CO awareness, benefit checks, and energy debt support—all aligned to the Consumer Vulnerability Strategy objectives.
- **Goes significantly beyond BAU funding**, providing tailored welfare, energy safeguarding, and holistic support that could not be delivered through baseline emergency or CO safety activities.
- **Provides CO education and safeguarding**, including CO questionnaires, awareness sessions, and fire safety pathways, helping reduce the risk of harm.
- **Reduces fuel poverty and improves customer safety** through income maximisation, energy debt assistance and access to targeted financial support schemes.
- **Demonstrates value for money**, with positive SROI and NPV modelling expected given the scale of income gains, risk reduction and long-term customer benefits

How VCMA funding complements or supplements BAU activities

The Energy Confident project complements NGN’s existing BAU vulnerability and CO safety activities by enhancing, rather than duplicating, the support available to customers in vulnerable situations. BAU activities focus on emergency CO response, essential safety messaging, and statutory PSR responsibilities. In contrast, this VCMA project provides proactive, ongoing, and specialist support that BAU functions are neither designed nor funded to deliver—such as income maximisation, personalised welfare advice, energy debt assistance, and peer-led engagement with individuals facing extreme barriers. These services extend safeguarding beyond emergency response and ensure deeper, longer-term support. Clear evidence of separation between BAU and VCMA areas is maintained through dedicated project staff, ring-fenced activities, and distinct reporting pathways.

For individual GDN VCMA Projects:

Justification for why the project should not be collaborative

This project is not designed as a collaborative cross-GDN initiative due to its unique local context, place-based community relationships, and the specific vulnerabilities seen in Leeds. DIAL Leeds’ peer-led model is embedded within local disability networks and foodbank partnerships, making the

approach highly tailored to the needs of the city’s marginalised residents. These hyper-local insights, referral pathways, and engagement methods cannot be replicated in other network areas without compromising effectiveness. Furthermore, the project acts as a focused, targeted model for addressing extreme exclusion within Leeds, rather than a broad, scalable framework suited to cross-regional delivery. This justifies delivery by NGN alone rather than in collaboration with other GDNs.

Outcomes, associated actions and success criteria

DIAL Leeds 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 Sign Ups	100
PSR Awareness	200
CO Questionnaires	35
CO Awareness	75
Hours of project input	350
External referrals	150
Benefit Health Checks	150
Fire safety awareness	100
Energy Debt Advice	25
Energy Debt Assistance	75
Income Maximisation	200

Success Criteria

- All output targets achieved (PSR, CO, referrals, benefit checks).
- Verified income gains and improved financial resilience for customers.

- Demonstrated increase in CO safety awareness through questionnaires and feedback.
- Positive SROI and NPV confirmed through financial modelling.
- Case studies showing improvements in wellbeing, safety, and overall stability.

Potential for new learning

The project will generate learning on:

- Effective support methods for people with severe barriers
- Improving engagement with digitally excluded households
- Best practice for combining welfare benefits advice with energy safeguarding

Aligning with and supporting wider vulnerability approaches

This project aligns closely with wider vulnerability strategies adopted across the energy industry, other utilities, and local and national partners. It supports a shared commitment to reducing fuel poverty, improving safeguarding, and targeting support toward those most at risk of being left behind. The project also fills a recognised gap in current vulnerability provision: support for individuals who face extreme barriers such as low literacy, digital exclusion, and complex mental health conditions, and who do not engage with mainstream services

Monitoring and evaluation

NGN and DIAL Leeds will:

- 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 £4.50 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*	£12,951.84
Total gross present value	£69,358.16
Net Present Value (NPV)	£56,745.75
SROI	£4.50

*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: <ul style="list-style-type: none">i. provide support to consumers in Vulnerable Situations and relate to Energy Safeguarding, orii. provide support for those most at risk of being left behind in the transition to net zero, oriii. provide awareness of, and education on, the dangers of CO beyond the activities funded as business as usual (BAU) through baseline allowances, oriv. 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