

# Northern Gas Networks

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Supporting people in farming and rural communities to improve energy resilience and awareness of carbon monoxide

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



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

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# Project registration table

Project summary	
<b>Project title</b>	<b>Supporting people in farming and rural communities to improve energy resilience and awareness of carbon monoxide</b>
<b>Strategic Area</b>	Fuel Poverty and Energy Affordability
<b>Funding GDN(s)</b> The GDN(s) which register(s) the project	Northern Gas Networks
<b>New/Updated</b> State whether this is a new or updated PEA (indicate as appropriate by removing the option that does not apply)	New
<b>Collaborative VCMA Projects</b> Specific role(s) of GDN(s) participating in a collaborative VCMA Project	NGN only
<b>Date of PEA submission</b> This needs to be the initial date of a first project submission	June 2026
<b>Project start and end date</b>	1 April 2026 – 31 March 2027
<b>Project location</b>	North East of England, Cumbria and Yorkshire
<b>Sectors involved</b>	Distribution Network Operator <b>Gas Distribution Network</b> Consumer Group <b>Charitable Organisation</b> Local Authority Water Supplier Telecommunications Provider Other (specify)
Project contact	
<b>Name</b>	Laura Ratcliffe
<b>Contact details</b>	vcma@northerngas.co.uk
Project partners and third parties involved	
Organisation name	Role
Farming Community Network	Lead project partner
Various	Agricultural Events & Show Organisers Rural Advisory and Support Bodies Agricultural Colleges and Youth Organisations

	Rural Businesses and Supply Chain Partners
<b>Costs and funding</b>	
<b>Total cost (£k)</b>	£98,376.28
<b>Total VCMA funding required (£k)</b>	<b>£98,376.28</b>
<b>Total BAU vulnerability and CO safety activity baseline allowance funding by activity (£k)</b>	£0

## Problem(s)

Farmers and rural communities face significant vulnerability due to their dependence on reliable energy for livestock monitoring, security and household heating. Many farmhouses are older properties with outdated or poorly maintained heating systems, solid fuel usage, blocked vents or incomplete servicing — making them significantly more susceptible to carbon monoxide (CO) poisoning. Low household income across the farming community further reduces access to regular appliance servicing or safety upgrades.

This project aims to address CO risks, energy vulnerabilities, and low awareness through targeted outreach, equipment distribution, and training delivered by the Farming Community Network (FCN)'s embedded rural volunteer network.

## Scope and objectives

Working with NGN, the FCN will support farming households and rural communities across the North East, Yorkshire and Cumbria by:

- Raising PSR awareness and supporting registrations
- Improving understanding of CO risks
- Distributing CO detectors
- Delivering training, webinars and events
- Providing energy efficiency, benefit and debt advice
- Using FCN's presence across 150+ rural events to engage farmers directly
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The above project scope will

- Improve CO safety and awareness through distribution of CO alarms and delivery of CO-related training and materials
- Increase PSR registrations
- Publish FarmWell articles and social media posts to reach rural populations
- Deliver training sessions
- Reduce energy vulnerability through tailored advice (benefits, debt, energy efficiency)
- Strengthen resilience of rural communities by improving understanding of risks and available support
- Support NGN's wider vulnerability strategy by bringing specialist engagement into remote rural communities

## Project design engagement

### Targeting vulnerability support:

NGN has identified that farmers in remote rural properties frequently fall into multiple risk categories:

- off-grid heating
- older solid-fuel systems
- low income
- limited access to services
- high exposure to CO risks

Existing NGN research and complaints data identify farmhouses as high-risk sites for CO incidents. FCN's embedded network provides unmatched reach into these communities.

### Evidence of stakeholder and/or customer support:

FCN's engagement at more than 150 agricultural shows, events and conferences each year provides continuous feedback loops from farmers, contractors, Young Farmers' Clubs, machinery dealerships, land agents, abattoirs, colleges and other rural organisations. This engagement has consistently highlighted the vulnerability of farming households to both power-related disruption and carbon monoxide (CO) risks.

### Stakeholder project design input:

- Stakeholders played an active role in shaping the project design through FCN's established community networks, event engagement, and direct one-to-one support. Feedback gathered by volunteers and county groups highlighted several consistent priority themes:
  - **Carbon Monoxide risk aware**
    - Stakeholders shared concerns around:
      - Poorly maintained or outdated fuel-burning appliances
      - Use of solid fuels in older farmhouses
      - Financial barriers to routine servicing and chimney sweeping
      - Improper ventilation and blocked flues
      - Use of generators or vehicles in enclosed spaces
      - These insights directly shaped the project's CO awareness, education and detector distribution components.
  - **Preference for community-based, trusted communication**
    - Farmers stressed that messaging must come from individuals and organisations who understand rural culture. FCN's volunteers—already trusted within farming communities—were therefore identified as the preferred delivery route.
  - **Need for holistic support**
    - FCN stakeholders highlighted that energy resilience and CO safety often intersect with wider financial challenges. As a result, benefit and debt advice were incorporated as deliverables to provide wrap-around support.

## Why the project is being funded through the VCMA

This project meets the VCMA eligibility criteria and aligns strongly with Northern Gas Networks' vulnerability strategy. It delivers targeted support that goes beyond business-as-usual activity by

addressing both carbon monoxide (CO) safety and energy vulnerability among households who are statistically at greater risk and often harder to reach through traditional channels.

The project focuses on individuals and communities experiencing multiple forms of vulnerability—such as low income, poor housing conditions, limited access to services, or social isolation—ensuring that those most likely to face CO-related dangers or energy hardship receive tailored, proactive support. This directly reflects NGN’s strategic commitment to safeguarding customers whose circumstances increase their exposure to harm.

## **How VCMA funding complements or supplements BAU activities**

The VCMA funding enables NGN to go significantly beyond BAU by supporting FCN’s specialist grassroots delivery model, which reaches isolated and highly vulnerable farming households who do not typically access mainstream services.

FCN’s trained provides unique access into remote communities where CO risks and energy vulnerability are higher than average due to:

- solid-fuel usage
- older housing stock
- low incomes
- lack of regular appliance servicing
- off-grid or unreliable energy supply
- limited availability of support services

These activities supplement NGN’s BAU by expanding the reach, depth and accessibility of CO and vulnerability support, ensuring there is no risk of double funding, as none of the activities funded under this VCMA project duplicate statutory obligations or BAU programmes. All outputs (training, outreach, detector distribution, PSR promotion, and rural engagement) are new, additional and wholly enabled by VCMA funding.

## **For individual GDN VCMA Projects:**

### **Justification for why the project should not be collaborative**

This project is being delivered as an individual NGN VCMA initiative rather than a collaborative GDN project due to the unique offering provided by FCN being trialled within the NGN network area. The intention is to widen out the delivery across other GDNs networks within GD3.

## Outcomes, associated actions and success criteria

FCN 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 Awareness	11,000
PSR Registrations	250
Articles published on the FCN FarmWell platform	2,500
Social Media Posts	15,000
Webinar or training delivered and received	100
Distribution of carbon monoxide detectors	300
CO awareness	11,000
CO enhanced awareness and completion of survey	200
Number of staff trained	1
Benefit advice	200
Debt advice	100
Energy efficiency interventions	100

### Success Criteria

- Increased awareness and registration of Priority Services Register (PSR)
- Improved carbon monoxide (CO) safety and knowledge
- Enhanced community energy resilience
- Increased access to holistic financial and wellbeing support
- Strong social value delivery

## Potential for new learning

This project offers significant opportunities for Northern Gas Networks (NGN) to generate new learning about how to effectively engage, support and protect farming and rural communities—an audience with distinct needs and vulnerabilities.

Through FCN’s embedded work across farming communities NGN will gain deeper insights into:

- the types of fuel-burning appliances used in remote rural homes
- the prevalence of solid-fuel and off-grid heating systems
- the barriers preventing regular servicing or maintenance (e.g., low income, competing financial pressures)
- the causes and prevalence of CO risks such as blocked chimneys, older appliances and misuse of heating systems

The project’s blend of outreach methods — events, articles, digital posts, webinars and CO detector distribution — provides NGN with a real-world testbed to evaluate which channels generate the highest engagement and measurable safety outcomes.

## Aligning with and supporting wider vulnerability approaches

This project aligns with wider vulnerability strategies across the energy sector, other utilities, and national and local government by strengthening shared priorities such as PSR awareness, CO safety, and support for customers facing financial or energy hardship. It complements existing industry initiatives—including fuel poverty programmes, public health campaigns, and cross-utility vulnerability frameworks—by extending support into rural and agricultural communities that are often under-represented in mainstream services.

The project also addresses clear gaps in current provision. Rural households, off-grid properties, and farming communities frequently miss out on traditional energy advice and CO safety interventions. By using FCN’s trusted networks and FarmWell platform, the project reaches groups that other services struggle to engage, offering an innovative, community-embedded approach that enhances the wider support landscape.

## Monitoring and evaluation

NGN will work closely with FCN to monitor delivery, track outputs, and evaluate the overall impact of the project. A shared monitoring framework will be used to ensure consistent data collection, quality assurance, and transparent reporting throughout the project.

**Quarterly reporting:** NGN will compile quarterly updates summarising progress, outcomes, and learning, ensuring transparency and alignment with Ofgem requirements.

**Final evaluation report:** At project completion, NGN and FCN will produce a joint evaluation summarising delivery, impact, customer outcomes, and recommendations for future activity.

# 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 £3.52 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

<b>Total cost*</b>	£98,376.28
<b>Total gross present value</b>	£876,829.90
<b>Net Present Value (NPV)</b>	£781,031.78
<b>SROI</b>	£3.52

\*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"> <li>i. provide support to consumers in Vulnerable Situations and relate to Energy Safeguarding, or</li> <li>ii. provide support for those most at risk of being left behind in the transition to net zero, or</li> </ul>	Yes

	<p>iii. provide awareness of, and education on, the dangers of CO beyond the activities funded as business as usual (BAU) through baseline allowances, or</p> <p>iv. reduce the risk of harm caused by CO</p>	
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"> <li>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</li> <li>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 condition<sup>12</sup> that makes them more vulnerable to health risks associated with cold homes; or</li> <li>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</li> </ul>	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
<p>Unsafe pipework and essential gas appliance repair or replacement must meet the following criteria:</p>	<p>Either:</p> <ul style="list-style-type: none"> <li>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</li> <li>ii. ii.</li> <li>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)</li> </ul>	<p>N/A</p>
<p>Health condition</p>	<p>Either:</p> <ul style="list-style-type: none"> <li>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</li> <li>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</li> </ul>	<p>N/A</p>
<p>Funding</p>	<p>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.</p>	<p>N/A</p>