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Information and Advice

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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	Information and Advice
Strategic Area	Supporting Priority Customers
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 st April 2026 – 31 st March 2027
Project location	North Tyneside
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
Age UK North Tyneside	Lead project partner
Costs and funding	
Total cost (£k)	£27,000
Total VCMA funding required (£k)	£27,000

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

Older people across North Tyneside experience a disproportionate risk of fuel poverty, carbon monoxide (CO) exposure, financial hardship and social isolation. Fixed or low incomes, rising energy costs, health conditions and reduced mobility can limit older residents' ability to manage energy use safely, understand complex energy billing, access welfare entitlements or engage with digital-first support services. These challenges are compounded for those living alone or with limited informal support networks, increasing the risk of poor health outcomes, unsafe energy behaviours and avoidable financial distress.

Despite the availability of support schemes and protections—such as the Priority Services Register (PSR), energy efficiency advice and welfare benefits—many older residents face barriers to access. These include low awareness of available support, difficulty navigating systems, lack of confidence engaging with energy suppliers, and limited access to trusted, face-to-face advice. As a result, vulnerable older people may remain unregistered for essential services, continue to live in cold or unsafe homes, and miss out on income maximisation opportunities that could significantly improve their financial resilience and wellbeing.

Without continued, locally delivered, trusted intervention, these risks are likely to persist and intensify during GD3, particularly as cost-of-living pressures remain and services increasingly shift away from in-person provision. There is therefore a clear need for sustained, integrated support that addresses energy affordability, CO safety, financial wellbeing and vulnerability in a holistic way, tailored specifically to the needs of older people in North Tyneside and delivered through trusted community-based channels.

Scope and objectives

Age UK North Tyneside seeks to extend its existing Vulnerability and Carbon Monoxide Allowance (VCMA) project into GD3, continuing to provide trusted, face-to-face energy, safety and financial wellbeing support to older people across North Tyneside. Building on a strong track record of delivery, the project will focus on reaching older residents who are most vulnerable to fuel poverty, carbon monoxide (CO) risk, social isolation and financial hardship.

The project will be delivered by Age UK North Tyneside's frontline Information and Advice and Customer Service teams, working closely with wider charity services. Staff will provide personalised guidance on energy use and bills, safe energy behaviours, carbon monoxide awareness, welfare benefits, income maximisation and Priority Services Register (PSR) registration. This integrated approach ensures that older people receive consistent, high-quality support regardless of how they first engage with the organisation.

The objectives:

- To provide tailored, face-to-face energy efficiency advice to 30 households, helping older residents to understand their energy use, reduce consumption safely, and improve comfort within the home
- To deliver free income maximisation advice to 300 individuals, including practical support with benefit checks, entitlement assessments and completion of benefit applications, ensuring residents maximise household income
- To undertake 240 cases of structured casework, offering ongoing, personalised support for individuals with complex or multiple needs related to energy affordability, welfare benefits, health, and wellbeing
- To secure a minimum of £500,000 in income maximisation gains for older residents within 6 months, through successful benefit claims, backdated awards, and access to financial entitlements
- To raise awareness of the Priority Services Register among 250 individuals, ensuring older and vulnerable residents understand the additional protections and support available from their utility providers
- To educate 250 individuals directly and 3,000 individuals indirectly on carbon monoxide risks, safe energy behaviours, and actions to take if CO is suspected, improving safety awareness across the community
- To actively support and register 50 eligible customers onto the Priority Services Register, improving access to priority assistance and safeguarding support
- To raise awareness of local digital support options within the borough
- To support 50 individuals to reduce loneliness and social isolation and improve mental wellbeing through engagement, advice, and referrals to community activities and support networks
- To support 50 individuals in stabilising their living conditions and wellbeing, contributing to a reduction in avoidable North East Ambulance Service call-outs and hospital admissions through preventative, early-intervention support
- To improve access to local services by providing effective signposting for 250 individuals to Age UK North Tyneside services and its 94 partner organisations and networks, ensuring residents receive timely and appropriate support

The key outputs include:

- Increased PSR referrals
- Increased understanding of CO risks and safety among vulnerable households
- Reduced financial vulnerability through income maximisation

Project design engagement

Targeting vulnerability support:

Northern Gas Networks (NGN) identified the vulnerability need addressed by this VCMA project through a combination of consumer insight, stakeholder intelligence and learning from the delivery of previous VCMA-funded activity with Age UK North Tyneside. Historic project delivery has demonstrated that older people in North Tyneside are disproportionately affected by fuel poverty, carbon monoxide (CO) risk, financial insecurity and social isolation, particularly those living on fixed incomes, with long-term health conditions or limited informal support networks.

Local demographic data and delivery partner intelligence show a sustained increase in the older population in North Tyneside alongside rising demand for advice relating to energy affordability, welfare benefits and home safety. Age UK North Tyneside's frontline services routinely support older residents who struggle to engage with digital or remote advice channels and who are therefore less likely to access existing energy industry protections such as the Priority Services Register (PSR) without targeted, face-to-face support.

This need has been further reinforced by ongoing cost-of-living pressures, which increase the likelihood of unsafe energy behaviours, under-heating of homes and heightened CO risk among older people. VCMA funding enables NGN to address these identified risks by supporting a trusted, locally embedded organisation to deliver preventative, early-intervention support that goes beyond business-as-usual activity and directly targets vulnerable consumers most at risk of harm.

Evidence of stakeholder and/or customer support:

CIVS workshop feedback and wider vulnerability insight consistently identify that older consumers are more likely to experience barriers to accessing support, including digital exclusion, reduced confidence engaging with energy suppliers, and limited awareness of available protections such as the Priority Services Register (PSR). These insights reinforce the need for locally delivered, face-to-face interventions delivered by trusted community organisations, particularly for customers who are unlikely to engage through remote or online channels.

Stakeholder project design input:

Stakeholder feedback gathered through NGN's Customers in Vulnerable Situations (CIVS) workshops, including the Inclusive Support Provision Hot Topic workshop (November 2025) and the Supporting Health Outcomes workshop (February 2026). Across these sessions, stakeholders consistently highlighted that vulnerability is becoming more complex, more hidden, and increasingly linked to ageing, health inequality, digital exclusion and sustained cost-of-living pressures.

Stakeholders also highlighted that capacity within advice and support organisations is stretched, with cases becoming more time-intensive and involving multiple, overlapping issues. CIVS feedback stressed the importance of holistic support models that address energy affordability, income maximisation, safety and wellbeing together, rather than fragmented or single-issue interventions. This directly informed the decision to continue an integrated delivery model through Age UK North

Tyneside, ensuring that older residents can receive joined-up support through one trusted point of contact.

Health inequality was also a recurring CIVS theme, with stakeholders noting strong links between cold homes, unsafe energy use, carbon monoxide risk and deteriorating health outcomes in older populations. CIVS feedback highlighted the importance of early intervention and preventative support to reduce escalation into crisis, hospital admission or emergency response. The project's focus on CO awareness, safe energy behaviours and income maximisation aligns directly with this learning and with NGN's strategic objective to protect customers most at risk of harm.

Why the project is being funded through the VCMA

This project is being funded through the Vulnerability and Carbon Monoxide Allowance (VCMA) because it delivers targeted, preventative support to customers in vulnerable situations that goes beyond Northern Gas Networks' (NGN) business-as-usual activities and directly aligns with VCMA eligibility criteria. The project focuses on addressing fuel poverty, carbon monoxide (CO) risk, energy affordability and broader vulnerability among older people in North Tyneside—groups identified as being at heightened risk of harm through NGN's vulnerability insight and previous VCMA delivery.

VCMA funding enables NGN to support a trusted community-based delivery partner, Age UK North Tyneside, to provide tailored, face-to-face advice and intervention that would not otherwise be deliverable at the required scale or intensity. The services delivered through this project—including energy advice, CO safety awareness, income maximisation, welfare benefits support and Priority Services Register (PSR) registration—are not funded through NGN's baseline allowances and therefore require VCMA support to operate.

The project directly contributes to VCMA strategic objectives by:

- Protecting customers in vulnerable situations from safety risks, including unsafe energy use and CO exposure
- Reducing fuel poverty and financial vulnerability through income maximisation and energy affordability support
- Increasing access to energy industry protections, particularly PSR registration, for customers least likely to self-identify or engage with suppliers
- Delivering early intervention and prevention, reducing the likelihood of crisis escalation, emergency response or health impacts associated with cold or unsafe homes

Evidence from previous VCMA-funded delivery demonstrates that Age UK North Tyneside consistently achieves strong outcomes for vulnerable customers, including high levels of PSR referrals, significant welfare benefit gains and effective engagement with hard-to-reach older residents. This proven delivery model provides assurance that VCMA funding will generate measurable benefits and social value during GD3 while minimising delivery risk.

How VCMA funding complements or supplements BAU activities

This project will be delivered alongside a BAU vulnerability activity (PSR awareness and education) and CO safety activities (raising awareness / education). However, other activities such as energy advice provision, benefits advice, debt advice and income maximisation discussions, which are wholly VCMA funded, will complement the BAU activities undertaken.

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 as it is to specifically address the unique vulnerability profile, local geography, and service gaps present within the North Tyneside district of the NGN network area by a Yorkshire based organisation. 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).

Outcomes, associated actions and success criteria

Age UK NT 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
Energy efficiency advice	30
Provide free income maximisation advice, supporting with application for benefits.	300
Casework	240
Income Maximisation	£500,000
Raise awareness of the Priority Services Register (PSR)	250
Educate individuals on carbon monoxide (CO) awareness	3,000 indirect and 250 direct
Register customers onto the PSR	50
Raise awareness of digital support within the borough	50
Reduce loneliness & isolation and Mental Health	50
Reduction in NEAS call outs and hospital admissions	50
Improved access to local services, those of AUKNT and 94 Partners & Networks. Signposting	250

Success Criteria

The success of the project will be evaluated using a combination of quantitative output data and qualitative partner feedback. Delivery against agreed targets will be monitored through regular reporting from Age UK NT, with interim reviews conducted at key milestones to ensure progress remains on track.

The project will be deemed successful if:

- 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

Feedback will be invited from partners and insights from monthly and quarterly reports will also feed into any lessons learnt. Learning will also be gathered through a specific partner network call with all of the VCMA partners. Learning will be further disseminated through quarterly Customers in Vulnerable Situations Workshops and associated reports and other engagement channels such as through VCMA collaboration groups. Learning will also be shared with other utilities on Infrastructure North and Utilities Together meetings. Learning can also be shared at open days, annual reports and the annual VCMA showcase event. Learning from projects can also be shared at NEA's annual conference.

Aligning with and supporting wider vulnerability approaches

This project aligns closely with approaches to vulnerability taken across the wider energy industry, consumer advice sector and public services, particularly the shared focus on early intervention, partnership working and holistic support for customers experiencing multiple vulnerabilities. Energy networks, suppliers and consumer organisations increasingly recognise that vulnerability is rarely driven by a single issue and that customers benefit most from integrated support that addresses affordability, safety, health and wellbeing together rather than through isolated interventions.

Across the energy industry, there is a strong emphasis on improving access to protections such as the Priority Services Register (PSR), increasing awareness of carbon monoxide (CO) safety, and supporting customers struggling with energy affordability and fuel poverty. This project directly contributes to these objectives by enabling a trusted delivery partner to identify and support older customers who are least likely to self-identify as vulnerable or engage directly with energy suppliers, thereby complementing supplier-led and network-led vulnerability approaches rather than duplicating them.

The project also aligns with approaches taken by consumer organisations such as Citizens Advice, National Energy Action and Age UK nationally, which advocate for face-to-face, trusted advice for customers who are digitally excluded or socially isolated. CIVS workshop feedback has consistently highlighted that digital-first models risk excluding older people and those with complex needs, reinforcing the importance of community-based delivery models such as this project.

Monitoring and evaluation

NGN will work closely with Age UK NT to monitor delivery, measure impact, and evaluate the effectiveness of the project throughout the 12-month delivery period. Monitoring arrangements are designed to ensure activities are delivered as planned, targets are achieved, and support is reaching those who need it most.

- Quarterly reports
- Financial monitoring
- Quality assurance checks through ongoing partner communication and review of supporting evidence.

- SROI and impact evaluation, using data gathered throughout delivery to assess social value in line with VCMA governance expectations.

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 £4.67 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 (based on an additional 6-month extension)

Total cost*	£27,000
Total gross present value	£154,369.21
Net Present Value (NPV)	£127,146.05
SROI	£4.67

*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