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PEA reference: V.FP1.0.C1.006.011.Ri.N

# Warm Homes Healthy People, Heating for Health

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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>	Yorkshire Energy Doctor CIC – Warm Homes Healthy People, Heating for Health Project
<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	N/A
<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>	Leeds
<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
Yorkshire Energy Doctor CIC	Lead project partner
Costs and funding	
<b>Total cost (£k)</b>	£59,815
<b>Total VCMA funding required (£k)</b>	<b>£59,815</b>

<b>Total BAU vulnerability and CO safety activity baseline allowance funding by activity (£k)</b>	£0
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## 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.

The Heating for Health (H4H) project has been delivered for five years, and the Warm Homes Healthy People (WHHP) project has been delivered for one year. Through WHHP, the organisation has successfully established a strong presence in East Riding, building partnerships, developing referral pathways, and offering regular drop-ins at foodbanks and community venues. With service demand exceeding initial expectations and both projects demonstrating successful outcomes, it is considered operationally and strategically efficient to merge the two programmes under a single, unified project.

The combined project will continue supporting vulnerable clients across East Riding and parts of North Yorkshire by providing accessible, practical and personalised casework for households struggling with fuel poverty, poor health, and challenges managing their energy and water bills. Team members based within the target areas will ensure support remains responsive, locally accessible, and tailored to the needs of hard-to-reach communities.

### Rationale for Combining the Projects

- Service proven in both areas: WHHP has demonstrated strong outcomes in its first year, mirroring the established success of H4H
- Similar activities: The majority of activities, referral routes and delivery models are shared across both projects
- Geographical alignment: The two delivery areas adjoin, allowing staff and resources to be shared efficiently
- Cost efficiency: With an 18% reduced budget, the merged project enables activity consolidation by removing duplicated marketing spend and reducing lower-impact outputs such as social media engagement targets and Warm and Well assessments (revised from 175 to 100). Outreach targets have also been adjusted (from 400 to 350) in line with the new funding profile

The project will support:

- Individuals with long-term physical or mental health conditions
- People living with disabilities
- Households experiencing fuel poverty or financial hardship
- Hard-to-reach and seldom-heard clients
- Frontline workers across the NGN patch through online training opportunities

This therefore aligns directly with NGN's vulnerability strategy.

## Scope and objectives

The project will continue to provide in-depth casework delivered both in-person and remotely, enabling support for clients with complex needs, including those with chaotic lifestyles or mental health difficulties that affect their ability to manage bills or engage with services. The focus remains on quality of support, ensuring clients can receive help for as long as needed.

The project will also build on existing relationships with key health partners, with continued targeted communications via Primary Care Networks (PCNs) in priority deprivation areas including Selby Town, Bridlington and Withernsea. This will strengthen referral pathways and increase early identification of vulnerable households.

A targeted shift will be made to focus Warm and Well assessments on individuals with mental health conditions (such as anxiety or depression), rather than solely over-65s, reflecting observed need and referral trends.

The merged project will deliver:

- Fuel poverty and energy-related casework, including complex billing issues, tariff support, debt navigation, supplier complaints and energy efficiency guidance
- CO awareness education and provision of alarms where required
- Warm and Well assessments for individuals with mental health conditions
- Referral support to local warm-home schemes, wellbeing services, and social care pathways
- Outreach activity through foodbanks, community venues, and partner agencies
- Training for frontline workers across the NGN area to increase capacity for early identification and referral
- Ongoing support for vulnerable households requiring long-term intervention

### Expected Benefits

- Improved financial resilience for vulnerable households
- Increased awareness of CO safety and reduced risk of CO harm
- Better management of energy and water bills
- Health improvements linked to warmer, safer homes
- Stronger multi-agency collaboration across health, social care and community sectors
- Enhanced support for individuals with mental health challenges
- A streamlined and more efficient delivery model across East Riding and North Yorkshire

The above project scope will

- Achieve new Priority Services Register sign-ups
- Complete CO safety surveys to identify risks and increase household safety
- Deliver CO awareness activities reaching at least individuals, improving understanding of CO dangers and prevention

- Deliver one-to-one energy advice sessions, enabling participants to improve energy literacy, reduce consumption, and manage bills effectively
- Conduct home energy visits to provide tailored in-home advice and identify practical efficiency improvements
- Deliver outreach sessions in community venues, reaching a minimum of 350 people, to raise awareness of energy support, safety, and available services
- Complete Warm and Well assessments specifically supporting individuals with mental health issues, improving comfort, safety, and wellbeing
- Make onward referrals to partner agencies (e.g., housing, health, debt advice, safeguarding) to ensure holistic support
- Deliver benefits checks, ensuring participants receive full entitlements
- Support individuals with income maximisation interventions
- Provide CPD-certified energy awareness/fuel poverty training to individuals, improving local capability to recognise and support people at risk of fuel poverty
- Deliver financial benefit to clients through energy savings, benefits access, income maximisation, and referrals

## 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. The combined project is explicitly designed to target households experiencing multiple forms of vulnerability. NGN's project documentation and partner reports show that this targeting is intentional, structured, and informed by real-world evidence.

The project supports:

- Individuals with long-term physical or mental health conditions
- People living with disabilities

These groups are disproportionately affected by cold homes, are more likely to experience fuel poverty, and often require tailored, complex support. This aligns directly with NGN's vulnerability strategy focused on supporting households unable to heat their homes safely or affordably. WHHP established strong community presence in its first year, including regular drop-ins at foodbanks and community venues, as well as partnerships and referral pathways with local support organisations. This ensures the project reaches those who otherwise would not engage with energy or financial advice services.

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

Development of the project has been shaped by extensive stakeholder engagement. Stakeholder support is clear from the rapid uptake and engagement in the first year of WHHP:

- The organisation established strong partnerships within East Riding
- Referral pathways were created and used regularly
- WHHP set up drop-in sessions in foodbanks and community venues, demonstrating community-led uptake
- Service demand exceeded initial expectations, highlighting that local stakeholders are actively referring and relying on the service

Strong local partnerships and constant referrals indicate deep stakeholder support. H4H has five years of delivery evidence showing sustained customer demand.

Case studies further show:

- Vulnerable individuals (e.g., older adults with long-term health conditions) trust the project enough to seek help even when they have not previously engaged with support services.
- Customers report fear, anxiety, and lack of knowledge before accessing the service—indicating that the project fills a gap no other service is filling.

Example: A GP-referred customer with COPD engaged due to the project’s trusted communication route, showing strong health-sector endorsement and customer confidence.

### **Stakeholder project design input:**

Stakeholders were directly involved in shaping the design and delivery model of the project. Health professionals actively partner with and refer into the service. Community organisations host and promote the service, including foodbanks, community hubs, and social care networks. Customers trust the project and engage meaningfully. Case studies show that vulnerable people respond specifically because of the project's credibility.

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** the project directly aligns with NGN’s strategic priority areas by tackling fuel poverty, reducing CO harm, safeguarding customers, and supporting mental health and accessibility needs
- **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 combined Heating for Health (H4H) and Warm Homes Healthy People (WHHP) 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 engagement with individuals facing 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 both H4H and WHHP which have been built over several years within NGN’s established regional partnerships, including health and social care referrals, local authorities, foodbanks, and Primary Care Networks (PCNs). These referral pathways and community infrastructures are specific to NGN’s operating area, meaning other

GDNs are not structurally embedded within these regional systems. This makes the project operationally NGN-specific as it operates across East Riding and North Yorkshire, both of which fall solely within NGN’s footprint.

While joint VCMA projects exist nationally (e.g., Warm Homes, Healthy Futures), those collaborative programmes aim to address wider systemic issues. The combined H4H/WHHP project instead responds to localised needs identified through NGN stakeholder engagement and local fuel poverty insights.

## Outcomes, associated actions and success criteria

YED 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	200
PSR Awareness	200
CO Questionnaires	200
CO Awareness	500
1-2-1 energy advice	200
Home energy visits	100
Outreach sessions at community venues (reach)	350
Warm and Well assessments to those with mental health issues	100
Onward referrals to other agencies	100
Benefits checks	50
Income maximisation	200
CPD-certified energy awareness/fuel poverty training	200
Financial benefit to clients	£50,000

## 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 new learning on effective support for people with severe and complex needs, best practice for engaging digitally excluded households, how to integrate welfare and energy safeguarding support, how to align with wider vulnerability approaches, and how to deliver a streamlined multi-area casework model.

## 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.

## Monitoring and evaluation

NGN will work closely with YED 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 £5.96 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>	£59,815.00
<b>Total gross present value</b>	£388,701.63
<b>Net Present Value (NPV)</b>	£330,454.20
<b>SROI</b>	£5.96

\*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"> <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> <li>iii. provide awareness of, and education on, the dangers of CO beyond the activities funded as business as usual (BAU) through baseline allowances, or</li> <li>iv. reduce the risk of harm caused by CO</li> </ol>	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"> <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
Unsafe pipework and essential gas appliance repair or replacement must meet the following criteria:	Either: <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>	N/A
Health condition	Either: <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>	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