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Centres for Warmth - fuel poverty advice and intervention

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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	Centres for Warmth - fuel poverty advice and intervention
Strategic Area	Fuel Poverty and Energy Efficiency
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	NGN region
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
National Energy Foundation	Lead project partner
Costs and funding	
Total cost (£k)	£80,000
Total VCMA funding required (£k)	£80,000

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

Fuel poverty and energy insecurity remain complex, persistent issues for many households accessing support through the Centres for Warmth. Individuals seeking help often face multiple, interlinked challenges including low income, rising energy costs, energy debt, poor housing conditions, and limited access to benefits or emergency support. These issues rarely exist in isolation and cannot be resolved through short-term or single-issue interventions. Instead, they require sustained, coordinated support that responds to the full range of a person's circumstances over time.

Current support systems can be fragmented, with clients required to navigate multiple services, referral pathways, and eligibility criteria. This creates a significant risk that individuals with complex needs disengage, experience delays in receiving support, or fall through gaps between services. For people already experiencing financial hardship, stress, ill-health, or digital exclusion, this fragmentation can act as a barrier to achieving lasting improvements in energy security, financial resilience, and wellbeing.

The pilot delivery of specialist case management by the National Energy Foundation (NEF) demonstrated the effectiveness of a trusted, relationship-based approach in addressing these challenges. However, it also highlighted that meaningful outcomes depend on time-intensive engagement, ongoing advocacy, and strong partnership working with the Centres for Warmth. Building effective referral pathways, shared ways of working, and confidence between partners requires a lead-in period before delivery can operate at full effectiveness.

Without continued investment and time to embed this model, there is a risk that the learning and progress achieved through the pilot will not translate into sustainable, high-quality support for households experiencing fuel poverty. An extension of the project is therefore necessary to consolidate partnership working, fully embed referral processes, and ensure individuals receive the long-term, tailored support required to address the underlying causes of fuel poverty and prevent recurring crises.

Scope and objectives

This project provides specialist case management support delivered by National Energy Foundation (NEF) to individuals accessing energy efficiency and fuel poverty assistance through the Centres for Warmth. The approach ensures that people seeking help are supported for as long as required, with tailored interventions designed around their individual circumstances, needs, and preferences.

Through this model, NEF works alongside the Centres for Warmth to guide clients through a comprehensive and flexible package of support aimed at improving their financial resilience, energy security, and overall wellbeing. Support is not time-limited and responds to the complexity of fuel poverty, recognising that sustainable outcomes often require ongoing engagement rather than one-off interventions.

Key elements of the support include:

- Case management and advocacy, ensuring clients are supported holistically and do not fall through gaps between services
- Home visits, where appropriate, to assess needs in a safe and supportive environment
- Income maximisation, helping clients to access benefits and entitlements they may be missing
- Debt advice and support, particularly where energy debt is contributing to financial hardship
- Access to emergency support, including small-scale energy efficiency measures funded by NEF and emergency fuel vouchers for households in crisis

The project was initially delivered as a pilot. The pilot phase demonstrated the value of a trusted, relationship-based approach but also highlighted the time required to embed effective partnership working with the Centres for Warmth. As the project relies on building strong, collaborative relationships with centre staff, referral pathways, and local systems, there is a necessary lead-in period before outputs can be fully realised.

The extension of this project will provide the additional time needed to consolidate and embed the work already underway. This will allow relationships with the Centres for Warmth to mature, referral processes to become established, and delivery to operate at full effectiveness. Ultimately, the extension will ensure that the benefits of the pilot translate into sustained, high-quality support for people experiencing fuel poverty and energy insecurity.

The objectives:

- Increase awareness of carbon monoxide risks and safety by providing targeted advice and education to at least 400 households, supporting safer use of fuel-burning appliances and reducing the risk of CO-related harm
- Deliver in-home support to at least 60 households to assess energy use, identify risks, and provide personalised guidance that cannot be effectively delivered remotely
- Provide tailored, in-depth energy efficiency advice to 400 households, enabling them to reduce energy consumption, lower bills, and improve home comfort based on their individual circumstances
- Support up to 400 households to understand, access, or make effective use of smart metering, helping them to better monitor energy usage and manage costs
- Assist at least 200 households to maximise their income by identifying and supporting access to benefits, grants, or entitlements, improving financial resilience and reducing fuel poverty
- Support 100 households to achieve energy-related debt write-offs or reductions through negotiation, advocacy, and referral to appropriate debt support mechanisms

- Make at least 100 onward referrals to specialist support services, ensuring households with complex needs can access the wider help required to stabilise their circumstances
- Deliver 12 training sessions to front-line staff within the Centres for Warmth, strengthening their knowledge, confidence, and ability to identify and respond to fuel poverty and energy vulnerability
- Provide emergency fuel vouchers to 200 households experiencing acute financial or energy crisis, helping to prevent self-disconnection and immediate hardship

By embedding energy and financial capability within the existing Centre for Warmth support model, the project addresses both vulnerability and long-term socioeconomic resilience.

The key outputs include:

- Improved safety through CO education and intervention
- Reduced financial vulnerability through income maximisation
- Household energy needs, risks, and circumstances assessed in person

Project design engagement

Targeting vulnerability support:

The vulnerability need addressed by this project was identified by NGN through a combination of consumer research, operational data, and sustained engagement with local delivery partners working directly with households experiencing fuel poverty and energy insecurity.

GDN vulnerability data and consumer insight consistently highlight that households in fuel poverty are more likely to experience overlapping vulnerabilities, including low income, long-term health conditions, disability, older age, caring responsibilities, language barriers, and digital exclusion. These factors significantly increase the risk of energy debt, self-disconnection, unsafe energy use, and poor health outcomes. Evidence also indicates that standard, transactional interventions are often insufficient for people with complex or entrenched needs.

Centres for Warmth act as a key access point for individuals seeking energy efficiency and fuel poverty support, and their operational experience has shown that a proportion of clients require more intensive, ongoing support than existing services can provide. These individuals often present with multiple issues at the point of contact, including energy debt, benefit entitlement gaps, housing-related energy inefficiency, and immediate financial crisis. Without specialist case management, these households are at risk of repeated crisis presentations and disengagement from support.

Technology and data are used to support targeted delivery through referral information provided by the Centres for Warmth, vulnerability indicators captured at triage, and ongoing case management records maintained by NEF. This enables identification of households with complex needs, monitoring of engagement over time, and prioritisation of support for those at highest risk. The project is therefore targeted at consumers whose vulnerability cannot be effectively addressed through one-off advice or signposting alone, ensuring VCMA funding is focused where it delivers the greatest additionality and social value.

Evidence of stakeholder and/or customer support:

The development of the project has been informed by extensive stakeholder engagement during both the pilot phase and ongoing delivery. Key stakeholders include the Centres for Warmth, frontline advisers, local support services, and NEF specialist practitioners working directly with vulnerable consumers.

Feedback from Centres for Warmth staff has consistently emphasised the need for a trusted specialist partner able to provide in-depth, time-intensive support for clients with complex circumstances. Stakeholders identified that while Centres for Warmth play a critical role in initial engagement and triage, they do not always have the capacity or specialist expertise to provide prolonged case management, particularly where energy issues intersect with debt, welfare, and safeguarding concerns.

Customer feedback gathered through casework has also demonstrated strong support for the relationship-based approach. Client's value having a single, consistent point of contact who can advocate on their behalf, explain options in an accessible way, and remain engaged until issues are resolved. This has been particularly important for individuals who have previously disengaged from services or who lack confidence navigating formal systems.

The decision to extend the project is directly informed by stakeholder feedback from the pilot phase, which confirmed that the model is effective but requires sufficient time to embed referral pathways, build trust between organisations, and support clients through often lengthy and complex journeys. Stakeholders have expressed strong support for continuation to ensure the benefits of the pilot are sustained and expanded.

Stakeholder project design input:

Stakeholders were actively involved in shaping the project design from the pilot stage onwards. The Centres for Warmth contributed to defining referral criteria, identifying priority client groups, and designing practical referral processes that align with existing workflows. NEF worked collaboratively with centre staff to ensure the case management model complemented, rather than duplicated, existing provision.

Learning from the pilot phase directly influenced the current project design. In response to stakeholder feedback, the model explicitly allows for non-time-limited support, recognising that rigid delivery targets can undermine outcomes for people with complex needs. The inclusion of home visits, flexible advocacy, and access to emergency support was also informed by frontline experience of what is required to prevent escalation of crisis.

While some stakeholders initially expressed a preference for shorter, higher-volume interventions to maximise reach, evidence from delivery demonstrated that this approach was less effective for the most vulnerable households. The current design prioritises depth of support over volume for a defined cohort of high-need clients. This approach is deemed preferable because it aligns with VCMA objectives to deliver meaningful, sustainable outcomes for vulnerable consumers and avoids the risk of repeated crisis interventions that ultimately place greater demand on services.

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, additional support to consumers in vulnerable situations whose needs cannot be adequately met through business-as-usual activity or existing statutory provision.

Households experiencing fuel poverty and energy insecurity often face multiple, overlapping vulnerabilities, including low income, health conditions, disability, older age, digital exclusion, and housing-related energy inefficiency. These factors significantly increase the risk of energy debt, self-disconnection, unsafe energy use, and adverse health outcomes. VCMA funding is specifically designed to support projects that address these risks by improving outcomes for vulnerable consumers and enabling interventions that would not otherwise be delivered.

This project strongly aligns with Northern Gas Networks' Vulnerability Strategy and GD3 commitments, particularly NGN's focus on tackling fuel poverty, supporting customers with complex needs, and delivering locally-led, collaborative interventions through trusted partners.

NGN's vulnerability strategy recognises that fuel poverty and energy insecurity are increasingly driven by overlapping and compounding factors, including low income, health conditions, disability, rising energy debt, and poor housing conditions. NGN has identified that these challenges cannot be effectively addressed through single interventions or short-term advice alone, and that some households require in-depth, ongoing casework to achieve sustainable outcomes. This project directly responds to that identified need by providing specialist, non-time-limited case management support for consumers accessing help through the Centres for Warmth.

A core element of NGN's GD3 approach is a commitment to Centres for Warmth as a long-term delivery model, recognising their role as trusted, accessible entry points for vulnerable consumers. This project complements and strengthens that model by embedding specialist support alongside Centres for Warmth, ensuring that clients with complex circumstances are not left with unmet needs or referred between services without resolution. In doing so, the project supports NGN's objective of ensuring vulnerable consumers do not fall through gaps in provision.

Collaboration and partnership working are central to NGN's vulnerability strategy, with a clear focus on working through trusted community organisations that already have relationships with vulnerable consumers. The partnership between NGN, the National Energy Foundation (NEF), and the Centres for Warmth reflects this approach. NEF's specialist expertise, combined with the local knowledge and reach of the Centres for Warmth, enables NGN to deliver targeted VCMA activity that is grounded in local need and informed by frontline insight.

Finally, the project supports NGN's preventative agenda by addressing the root causes of fuel poverty and energy insecurity. Through income maximisation, debt support, advocacy, home visits, and access to emergency assistance, the project helps to reduce the likelihood of repeat crisis presentations, self-disconnection, and unsafe energy use. This aligns with NGN's commitment to early intervention, safeguarding, and reducing long-term harm for customers in vulnerable situations.

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 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.

Outcomes, associated actions and success criteria

The Nation Energy Foundation 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
CO awareness	400
Home visits	60
In depth energy efficiency advice	400
Smart metering	400
Income maximisation	200
Debt write-offs	100
Support service referrals	100
Front line staff training sessions	12
Emergency vouchers	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

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 Centres for Warmth networking call with all Centres for Warmth 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, Partner Networking Calls, 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 established and emerging approaches to vulnerability across the wider energy industry, other utilities, government policy, and consumer organisations. It reflects a shared recognition that fuel poverty and energy affordability are complex, multi-dimensional issues that require coordinated, preventative and person-centred responses.

Across the energy sector, there is increasing emphasis on holistic, partnership-based models to support consumers in vulnerable situations. Gas Distribution Networks, electricity networks, and energy suppliers have consistently identified that customers experiencing fuel poverty often face overlapping vulnerabilities, including health conditions, low income, energy debt, and housing challenges, which cannot be resolved through single-issue advice.

The project directly supports this sector-wide approach by:

- Delivering in-depth case management, complementing the broader industry shift towards deeper support for high-risk consumers alongside lighter-touch interventions for wider audiences
- Working alongside Centres for Warmth, which are recognised within the gas networks as a key access route for vulnerable consumers and a core element of regional vulnerability strategies
- Supporting energy safeguarding and prevention, helping to reduce the risk of self-disconnection, unsafe energy use and repeated crisis engagement—outcomes that align with common vulnerability objectives across gas and electricity networks

Monitoring and evaluation

NGN will work closely with NEF to monitor delivery, measure impact, and evaluate the effectiveness of the project throughout the 6-12 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 £3.47 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*	£80,000
Total gross present value	£360,817.37
Net Present Value (NPV)	£280,156.16
SROI	£3.47

*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, or ii. provide support for those most at risk of being left behind in the transition to net zero, or 	Yes

	<ul style="list-style-type: none"> 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 	
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