

Vulnerability and Carbon Monoxide Allowance (VMCA) Annual Report

2025/26



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An introduction from our CEO

Over the past year, and across the full course of GD2, Northern Gas Networks has continued to strengthen its role in supporting customers in vulnerable situations, recognising that our responsibility extends well beyond the safe and reliable operation of our network.

The last regulatory year has once again underlined the value of sustained engagement with our partners, stakeholders and customers, ensuring that our approach remains responsive, inclusive and grounded in real life experiences.

Over the last five years, our VCMA programme has evolved from targeted interventions into a mature, evidence-led portfolio that delivers both immediate crisis support and longer-term, sustainable outcomes. Through deep collaboration with community organisations, health partners and local authorities, we have focused on alleviating hardship by improving access to warmth, safety, income maximisation and trusted advice. This delivery has taken place against a backdrop of unprecedented external pressures – including the ongoing cost-of-living crisis, rising energy debt, pressure on public services, and widening health inequalities – all of which continue to disproportionately affect the communities we serve.

I am particularly proud of the way our programmes have adapted to meet these challenges. From expanding Centres for Warmth and strengthening Services Beyond the Meter, to embedding health-led approaches and tackling digital and social exclusion, our work has remained firmly centred on dignity, prevention and partnership. Importantly, this has been achieved through listening as much as leading – using engagement not as a formality, but as a cornerstone of good decision-making.

As we look ahead to GD3, the challenges facing vulnerable customers are unlikely to diminish. Demand for support continues to grow, funding landscapes are increasingly complex, and expectations on networks to deliver social value are rightly rising. Entering this next period, we are focused on sustaining what works, supporting partner resilience, and ensuring that our investments continue to deliver meaningful outcomes at scale. The foundations built through VCMA in GD2 give us confidence that we are well placed to meet the challenges ahead, while remaining true to our customer-first purpose.



Mark Horsley
CEO Northern Gas Networks

About us

We are Northern Gas Networks (NGN), the gas distributor for the North of England. We serve 2.9 million homes and businesses across the North of England, supporting the communities that rely on us every day.

We are committed to delivering a safe, reliable and affordable service while making a positive difference in the communities we serve. This includes supporting customers who may need extra help, helping to address fuel poverty and working with partners to improve local wellbeing.

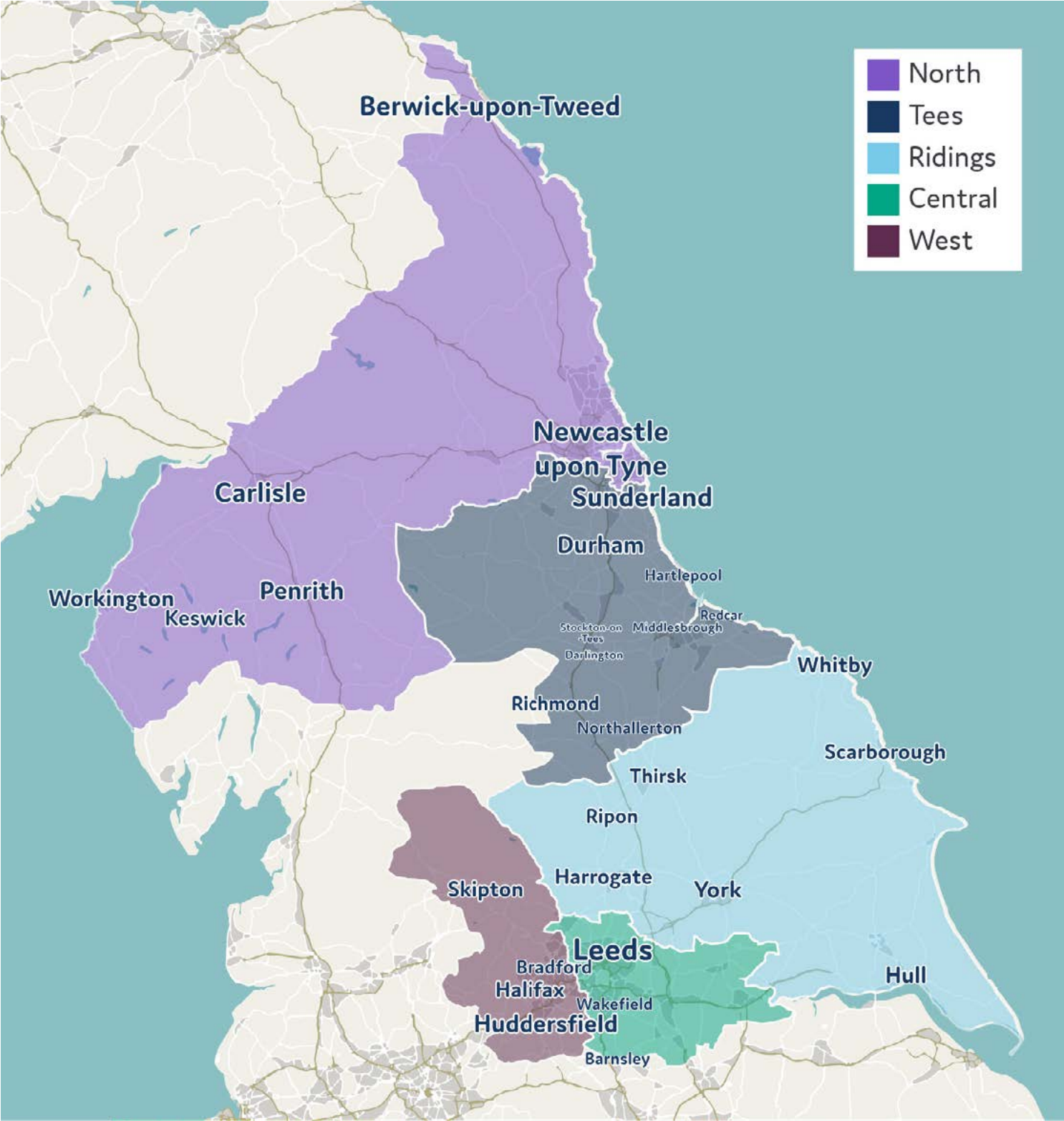
VCMA overview

The Vulnerability and Carbon Monoxide Allowance (VCMA) is a dedicated fund for Gas Distribution Networks (GDNs) covering April 2021 to March 2026. For Northern Gas Networks (NGN), the initial allocation was around £1.3 million per year. Following Ofgem’s 2022/23 review, funding was repurposed from the Fuel Poor Network Extension Scheme (FPNES), increasing the total VCMA available to GDNs from £60 million to £171 million.

This report provides an annual update on VCMA investment, stakeholder engagement and funded projects, along with priorities for the year ahead. NGN’s total allowance increased from £6.85 million to £19.64 million in October 2023 (issued in 2018/19 prices), with at least 25% allocated to collaborative projects with other GDNs. Projects must meet strict eligibility criteria and demonstrate positive Social Return on Investment (SROI) through a consistent assessment framework.

For monitoring and reporting purposes, we group projects into four key themes:

- Fuel poverty and energy affordability
- Supporting priority customers
- Carbon monoxide (CO) awareness
- Services Beyond the Meter



Our investments

Summary of our five-year VCMA spend for GD2 (figures shown in nominal prices):

	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	Total
Company Specific VCMA Costs	£466,254	£1,151,013	£3,780,953	£3,947,508	£6,088,641	£15,434,369 (62%)
Collaborative VCMA Costs	£122,332	£658,290	£2,091,659	£3,577,336	£2,996,639	£9,446,255 (38%)
Total VCMA Costs	£588,586	£1,809,303	£5,872,612	£7,524,844	£9,085,280	£24,880,624

Over the GD2 period, we utilised 99% of our VCMA allowance to deliver impactful projects across our network.

At the start of 2025/26, the majority of our allowance had already been committed. Throughout the year, we closely monitored expenditure on projects approaching completion, enabling us to repurpose any unspent funds and maximise support for our customers.

Key statistics: year five

108

VCMA projects

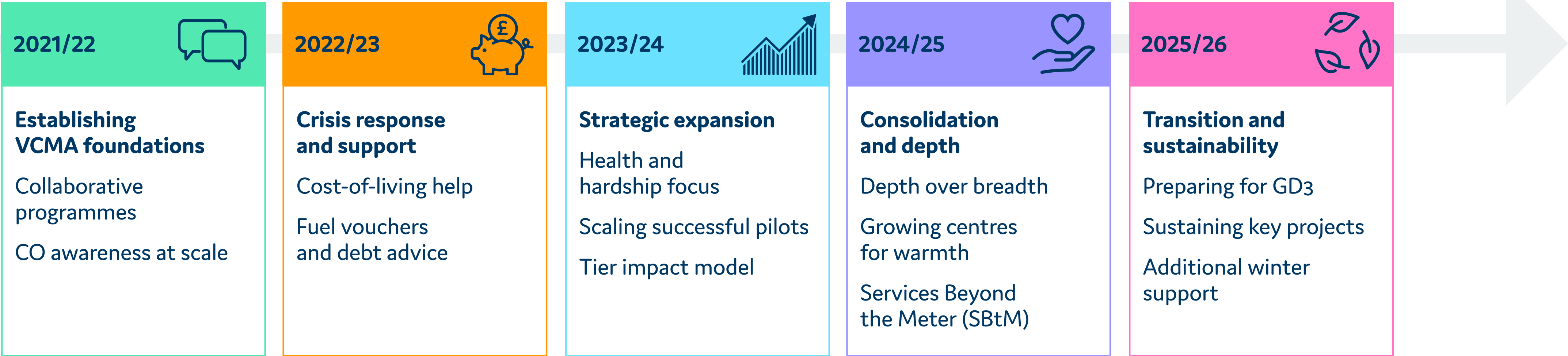
90

VCMA partners



Our investments

Our VCMA journey: five years of progress



Over the course of GD2, NGN’s VCMA programme has evolved from establishing strong foundations to delivering mature, sustainable impact for vulnerable customers.

In **2021/22**, the focus was on building the fundamentals—forming collaborative partnerships and scaling Carbon monoxide (CO) awareness to create a solid platform for future delivery. As external challenges intensified in **2022/23**, the programme responded at pace, pivoting to provide vital crisis support, including cost-of-living assistance, fuel vouchers, and debt advice to those most in need.

By **2023/24**, the programme entered a phase of strategic expansion—sharpening its focus on health and financial hardship, scaling proven pilots, and introducing a tiered impact model to target support more effectively (see [page 11](#) for details). This matured further in **2024/25**, with an emphasis on consolidation and depth—strengthening delivery through initiatives such as Centres for Warmth and expanding Services Beyond the Meter to address wider customer needs.

In **2025/26**, the programme transitioned towards long-term sustainability—embedding successful interventions, sustaining key projects, and preparing for GD3, ensuring that support for vulnerable customers remains resilient, targeted, and impactful in the years ahead.

Our investments



Alongside the VCMA, NGN also has two dedicated funds that complement and enhance the support we provide to customers most in need.

These funds are fully shareholder funded, with a minimum commitment of £1m invested over the five-year GD2 period. Our overall investment across these funds in GD2 was £1.78m.

Community Partnering Fund (CPF)

The Community Partnering Fund (CPF) provides seed funding to grassroots community organisations that support customers in vulnerable situations. Successful projects can then progress to VCMA funding, enabling them to scale and extend their reach.

Key achievements across GD2:

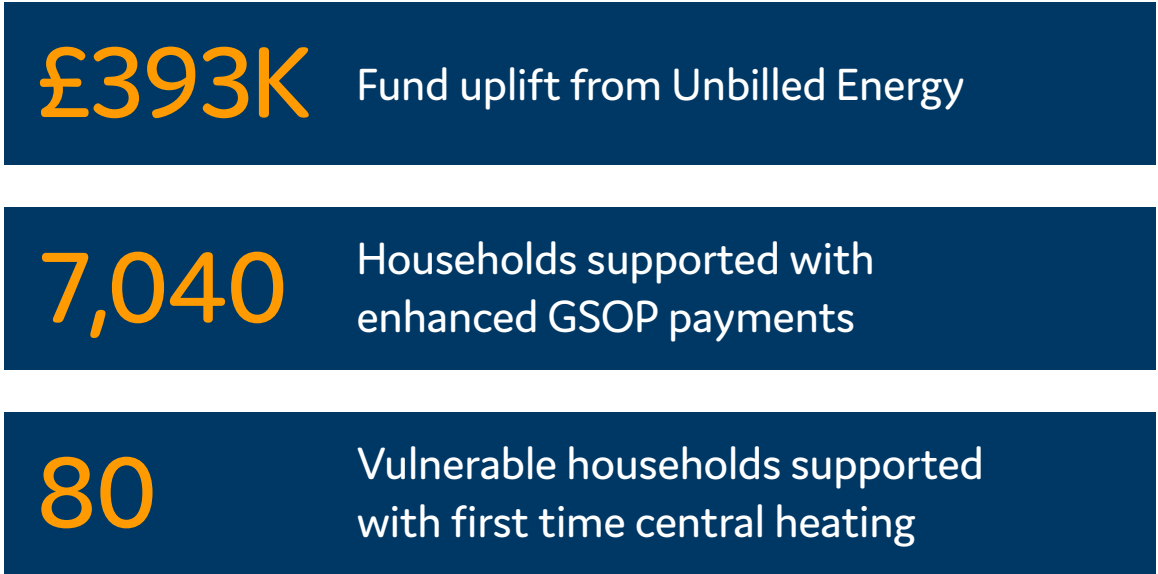


Customer Support Fund (previously named Hardship Fund)

The Customer Support Fund (CSF) provides an annual commitment of £150k to support customers in vulnerable situations where other funding sources, including the VCMA, cannot be used. While smaller in scale than the VCMA, the fund offers greater flexibility and enables us to respond in ways that deliver meaningful and lasting benefits. In many cases, it complements the wider support and services provided by NGN.

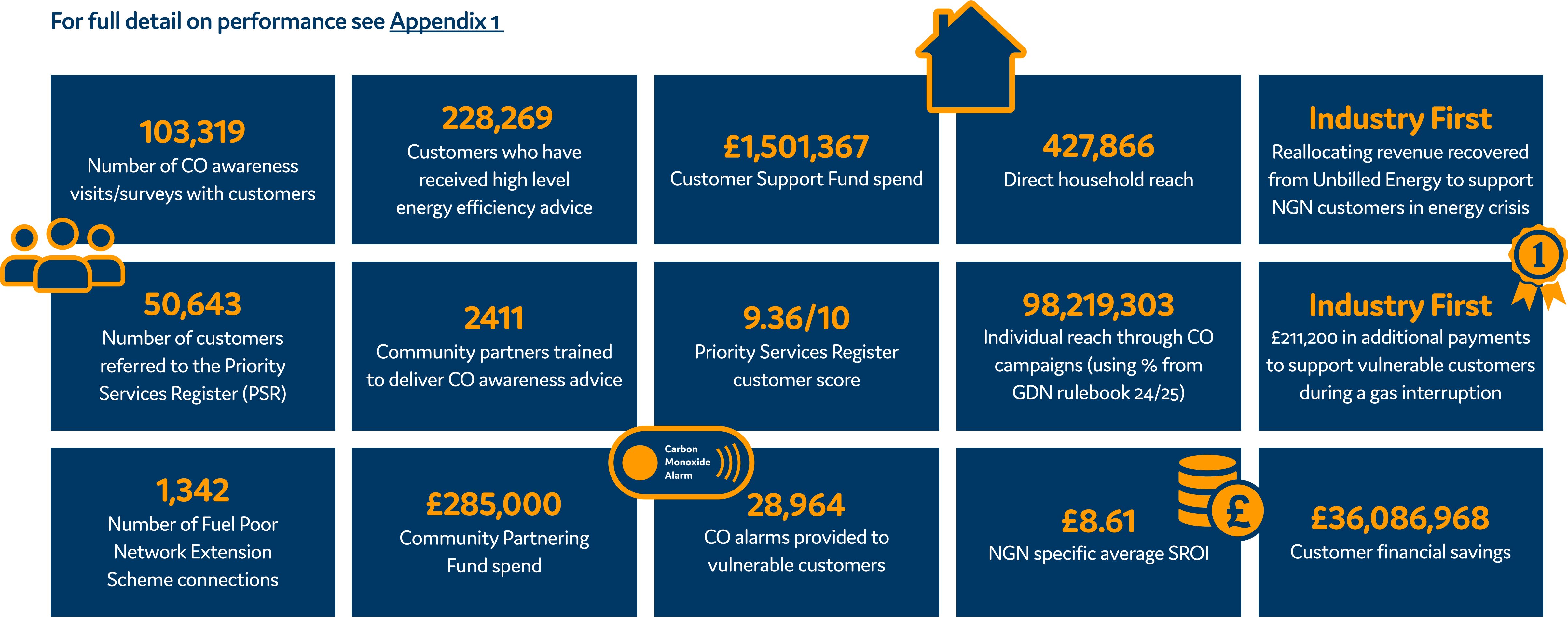
NGN has committed additional funding to the CSF through revenue recovered from Unbilled Energy (Theft of Gas), helping more households to benefit from the support available. We are the first GDN to use unbilled energy revenue in this way, and this approach has enabled us to support numerous additional households over the last three years.

Key achievements across GD2:



Performance highlights (GD2)

For full detail on performance see [Appendix 1](#)



Strategy progress

In the final year of GD2, stakeholder insight continued to shape the development of our VCMA strategy.

Fuel poverty remained the central focus, alongside a growing recognition of the complex and emerging needs affecting customers, particularly in relation to health and financial hardship. Over the year, we strengthened our approach by deepening collaboration, improving targeting and testing models that will help inform delivery in GD3.

The **six priority areas** set out in our strategy continued to guide delivery during the year:

1

Integrating health and energy support
to better identify and support customers most at risk.

2

Strengthening collaboration
and place-based delivery to reach underserved communities and expand partner networks.

3

Building partner capability
through longer-term funding, scaled delivery and greater consistency of support.

4

Improving targeting
of vulnerable groups with tailored responses for those less likely to seek help.

5

Responding to widening financial hardship
by addressing emerging vulnerabilities and barriers to support.

6

Scaling proven interventions
and sharing good practice to extend impact across regions.

Strategy progress

These priorities were reflected in the partnerships we strengthened, the pilots we supported and the steps we took to build a more sustainable model for future delivery.

During 2025/26, NGN continued to strengthen health-linked support and collaboration across the energy, housing and wellbeing sectors. A key example of this was our leadership of Warm Homes Healthy Futures, a collaborative programme delivered with National Energy Action and the other gas distribution networks. The programme brings together health professionals, public health bodies and specialist energy advice services to support people at greatest risk from living in cold and damp homes, helping them access tailored advice, improve household resilience and stay safe and well at home.

We also funded pilot activity to test partnerships and approaches that could inform delivery in GD3. This included the Barnardo's project, which supported young carers and care leavers to manage their energy costs more confidently as they moved towards independent living (see [page 28](#) for details).

Alongside delivery, we also focused on helping partners prepare for the transition to GD3. Sustainability was a key theme at our 2025 Supporting Communities Together open day, where partners and stakeholders shared learning, strengthened networks and explored how services could continue to evolve in a tighter funding environment. This work has helped build stronger foundations for future delivery by supporting collaboration, capability and longer-term resilience across the sector. Together, these developments have strengthened the strategic foundations for GD3, with a clearer focus on targeted support, sustainable partnerships and scalable delivery models.



Watch our open
day video here



Strategy progress

Approach to impact measurement and tiered delivery model

Alongside the continued development of our strategy and delivery model, strengthening the way we measure impact has remained a key priority throughout GD2.

A more consistent understanding of outcomes, reach and value has supported better decision-making across our portfolio, helping us identify where interventions deliver the greatest benefit, scale effective models and target funding where it can have the most impact.

Building on the framework introduced in 2023/24, NGN has continued to apply a three-tier delivery model to classify projects according to the depth and type of support provided. This approach has enabled a more structured assessment of delivery across the portfolio and has improved our understanding of the relationship between reach, intensity of support and social value.

Tier 1

Intensive, targeted support for customers with complex or multiple vulnerabilities, including appliance repair and replacement, in-depth casework and specialist interventions for high-risk households.

Tier 2

Direct engagement through awareness-raising, practical advice and lower-level support designed to prevent issues from escalating.

Tier 3

Broad awareness and communications activity delivering lighter-touch, self-initiated support to wider customer groups.



Strategy progress

Years one to five: NGN and collaborative projects combined
Summary of Social Return on Investment (SROI), percentage spend, and total reach by tier

Tier 1 In depth casework	£ Average SROI: £6.00	 Percentage spend: 43%	 Project total reach: 77,377 beneficiaries	 Total project reach across all tiers: 266,560,498 beneficiaries
Tier 2 Casework, energy efficiency advice and debt advice	£ Average SROI: £7.96	 Percentage spend: 39%	 Project total reach: 2,437,860 beneficiaries	
Tier 3 CO awareness and general campaigns	£ Average SROI: £8.28	 Percentage spend: 18%	 Project total reach: 264,045,261 beneficiaries	

Strategy progress

The continued use of this model has provided greater insight into how different types of intervention contribute to overall impact across the GD2 period.

It has also helped demonstrate the value of maintaining a balanced portfolio, combining intensive support for those facing the greatest risk with broader preventative activity delivered at scale. Key year one to five observations include:

Tier 1 and tier 2 interventions continue to show lower Social Return on Investment (SROI) than Tier 3 activity, reflecting the greater resource required to deliver tailored, in-depth support to households facing complex and multiple vulnerabilities.

Tier 3 activity continues to deliver the highest SROI, driven by lower average delivery costs per household and the ability to reach customers at scale through mass awareness and communications campaigns.

Tier 1 provision has continued to deliver important targeted impact, demonstrating NGN's commitment to prioritising high-risk households in need of intensive, casework-led support.

Tier 2 programmes have achieved significant reach while balancing cost efficiency with preventative, advice-led support, helping customers before needs escalate further.

Tier 3 campaigns have delivered substantial scale, increasing awareness of carbon monoxide safety and vulnerability support while complementing the deeper interventions delivered through Tiers 1 and 2.

Across years one to five the tiered model has helped demonstrate an effective balance between targeted support for vulnerable households and large-scale preventative engagement, providing a stronger evidence base for future investment decisions in GD3.



Stakeholder engagement

Over the past 12 months, we have delivered an extensive programme of stakeholder engagement alongside our business-as-usual Customers in Vulnerable Situations (CIVS) framework and in preparation for the transition from GD2 to GD3.

Existing engagement channels were prioritised wherever possible, with additional mechanisms introduced to support GD3 planning, including the Outside In (Three Hands) programme. Engagement insights from this period have directly informed our GD3 commitments, funding decisions, and ongoing Vulnerability Strategy.

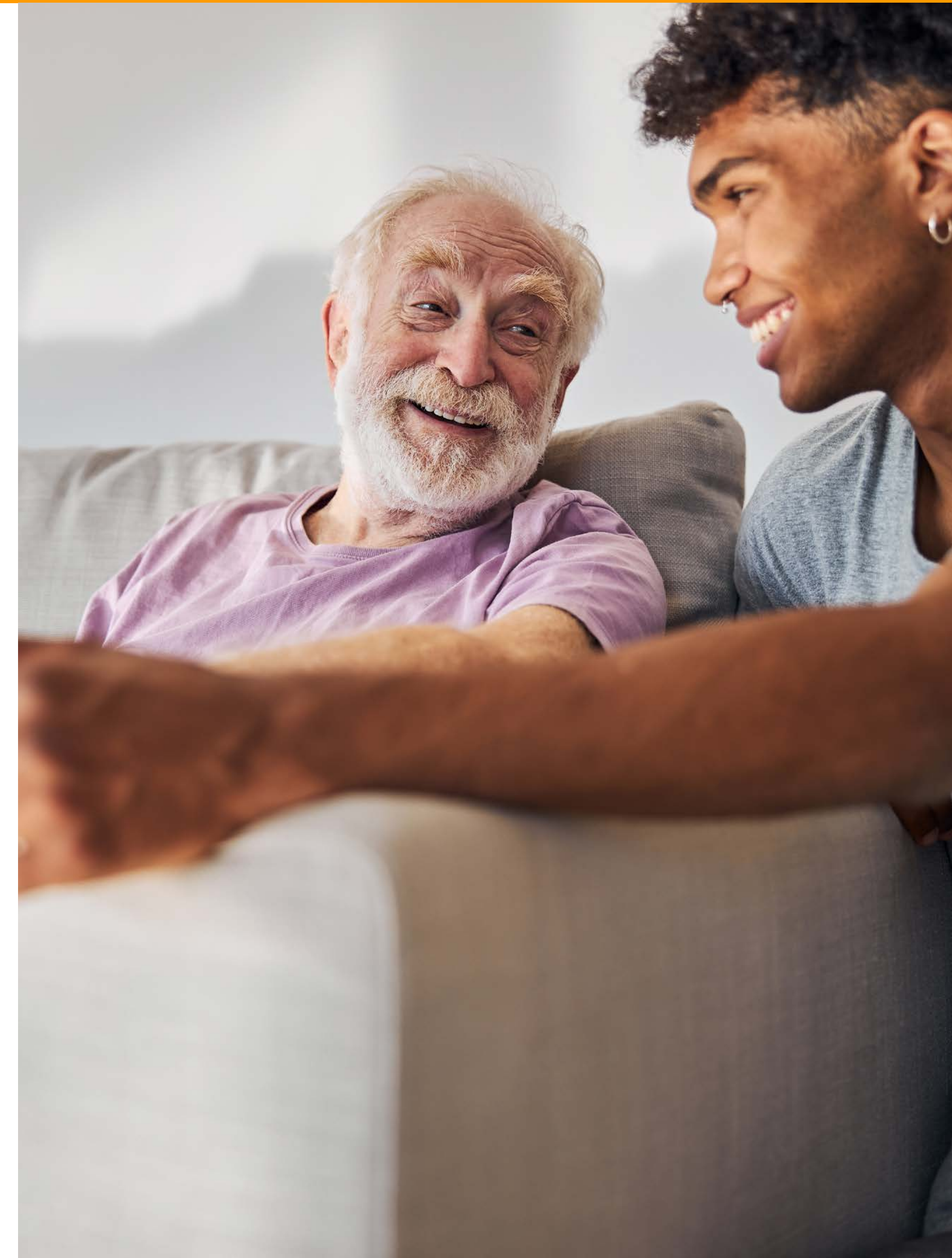
Stakeholders identified key priorities for the final year of GD2, including rising demand for support, the normalisation of cost-of-living pressures, sustainability of services, stronger partnership working, improved reach into rural, farming and diverse communities, expanded one-to-one support, and a greater focus on mental health—particularly in farming communities. Stakeholders also highlighted the value of longer-term funding, improved knowledge of other funded partners, and better mapping of services to reduce duplication and strengthen coordination.

Learning was shared and tested through a structured programme of engagement including our annual strategic workshop, which directed the themes for our quarterly CIVS workshops (Enabling Collaboration, Inclusive Support Provision and Supporting Health Outcomes), bi-monthly partner networking calls, strategic partner meetings, one-to-one bilaterals, and wider engagement such as our annual open day, Citizens Panel, and Independent Stakeholder Group. Across these forums, we have continued with the 'You Said, We Did' approach, responding to feedback by strengthening partner networking, improving communications support, enhancing accessibility and inclusivity of resources, progressing a partner toolkit and project mapping tool, and advancing collaborative work on PSR awareness, anti-scam activity, and data sharing.

Stakeholder insights directly influenced funding decisions during the remainder of GD2. Targeted funding was awarded to address gaps affecting underserved groups, including farming and remote communities, young people, and older people. This included support for the Farming Community Network, Barnardo's, and Citizens Advice Northumberland. Contingency funding was redirected into additional winter support for our Centres for Warmth, strengthening crisis response during periods of heightened need. Sustainability also emerged as a critical theme, leading to the development of a volunteer support database and increased focus on innovation, affordability, and long-term resilience.

Engagement on the GD2–GD3 transition highlighted uncertainty around future VCMA funding but reinforced the importance of transparency, early communication, and support for partners to explore alternative funding opportunities. Stakeholders strongly endorsed our GD3 business plan, describing it as credible, targeted, and ambitious, with high-quality engagement and strong collaboration across networks. Key areas for further development included the low-carbon transition, sector-wide coordination, and joint approaches to severe weather, PSR awareness, inclusivity, and a fair and just transition.

Overall, stakeholders continue to view NGN as a trusted, collaborative partner, with engagement playing a central role in shaping investment decisions, strengthening partnerships, and improving outcomes for customers in vulnerable situations as the organisation moves into GD3.



Fuel poverty and energy affordability



Fuel poverty and energy affordability

Fuel poverty is driven by the interaction of low household income, high energy costs and poor energy efficiency, and is further shaped by wider energy and housing market conditions and household payment methods.

Over the past year, vulnerable households across our network have continued to face significant affordability pressures, often alongside wider health, housing and financial challenges. In response, NGN has delivered targeted support through our funded partner network, including income maximisation, comprehensive energy advice and tailored guidance to help households access financial assistance and improve affordability. We have continued to focus support where need is greatest, recognising the increasing complexity of fuel poverty for both those affected and the organisations working on the frontline.

Through projects delivered with partners such as Citizens Advice Northumberland, NGN has supported a more integrated response to fuel poverty by addressing energy affordability and debt together. This has helped households tackle multiple pressures at once, strengthening financial resilience, improving affordability, and supporting wellbeing. It also reflects our continued focus on responding to the longer-term effects of the cost-of-living crisis.

We also increased support over the 2025/26 winter period, including funding for winter warmth packs to provide practical help to vulnerable households when it was most needed.

Key statistics: 2025/26

£2,611,054
invested in
2025/26 - NGN
specific projects

GD2 five year
spend – for
both NGN and
collaborative
projects

£11,482,008

This is 46%
of our overall
VCMA allowance

239,215
customers
supported
through this
theme in year
five - NGN
specific projects

Average SROI
£10.48



NGN specific projects (2025/26 delivery)

Lead partner organisation	Project title	Duration	Forecast SROI	Total NGN spend (GD2)	Link to PEA
Community Action Northumberland (CAN)	Foodbanks	2021 - 2026	£1.31	£25,000.00	Read More
Community Action Northumberland (CAN)	Slow Cooker Roadshow	2021 - 2026	£3.34	£10,000.00	Read More
Groundwork Yorkshire Limited	Groundwork's Energy Management Services (GEMS) Extension	2021 - 2026	£14.18	£81,400.00	Read More
Groundwork Yorkshire Limited	Green Doctor - Energy Matters	2021 - 2026	£1.02	£445,537.50	Read More
Groundwork Yorkshire Limited	Green Doctor - Fuel Poverty Training Course	2021 -2026	£6.33	£34,800.00	Read More
Highfield CO-OP	Community Energy Café	2021 -2026	£4.52	£38,000.00	Read More
Highfield CO-OP	Vulnerability Film Festivals - Using Film To Identify Vulnerable Communities	2021 -2026	£3.83	£32,250.00	Read More
Yorkshire Energy Doctor CIC	Community Energy Ambassadors	2021 -2026	£2.33	£119,000.00	Read More
Stockton and District Advice and Information Service	Energy Max Project	2022 - 2026	£3.48	£116,287.68	Read More
Community Action Northumberland (CAN)	Warm Hub National Co-ordinator Role	2022 -2026	£1.86	£121,538.43	Read More
Citizens Advice Bradford	Income Maximisation Project	2023 - 2026	£1.77	£220,000.00	Read More
Communitas Energy CIC	Fuel Poverty Advisory Service	2023 - 2026	£1.78	£314,404.96	Read More
Fuel Bank Foundation	Further Expand Fuel Bank Across Northern England	2023 - 2026	£3.87	£1,132,377.00	Read More
Citizens Advice Northumberland	A Holistic Approach to Energy, Debt and Welfare Advice to Address the Cost-of-Living Crisis	2023 - 2026	£1.77	£450,477.00	Read More
The Hope Foundation Limited	Hope Foundation - Centre for Warmth	2023 - 2026	£8.43	£194,599.00	Read More
South Tyneside Homes	Energy Support Officer	2023 - 2026	£4.22	£62,500.00	Read More
Community Action Northumberland (CAN)	Holistic Sustainable Community Buildings Project	2023 -2026	£20.16	£44,249.00	Read More

Lead partner organisation	Project title	Duration	Forecast SROI	Total NGN spend (GD2)	Link to PEA
North East Windhill Community Association	Windhill - Centre for Warmth	2023 -2026	£13.16	£85,000.00	Read More
Bilton Hall Community Trust	Building Stronger Community Links - Centre for Warmth	2023 -2026	£6.27	£162,656.00	Read More
Khidmat Centres	Nourish and Thrive: Empowering Communities for Sustainable Living - Centre for Warmth	2023 -2026	£10.55	£193,218.24	Read More
Northern Gas Networks	Centre for Warmth Project Coordinator	2024 -2026	£3.66	£84,853.00	Read More
Noah's Ark	Breaking the Food Poverty Cycle: Building Emotional and Financial Resilience for Food Bank Users	2024 - 2026	£7.02	£142,093.00	Read More
Redcar Baptist Church	Redcar Baptist Church - Centre for Warmth	2024 - 2026	£5.61	£214,963.67	Read More
Local Services 2 you Ltd	Fuelling Fair Futures - Centre for Warmth	2024 - 2026	£10.12	£159,542.00	Read More
Centre for Sustainable Energy	Supporting Communities to Achieve Affordable Warmth and Safety (SCAAWS)	2024 -2026	£2.53	£504,676.00	Read More
Shildon Alive	Shildon Alive - Centre for Warmth	2024 -2026	£12.80	£127,075.00	Read More
The Centre West Cumbria Ltd	Maryport - Centre for Warmth	2024 -2026	£12.00	£155,231.25	Read More
Focus4Hope	Focus4Hope - Centre for Warmth	2024 -2026	£9.77	£149,076.40	Read More
The Well	The Well - Centre for Warmth	2024 -2026	£4.12	£141,323.38	Read More
Rainbow Centre	Rainbow - Centre for Warmth	2024 -2026	£4.89	£136,682.83	Read More
Shiney Advice and Resource Project (ShARP)	Shiney Advice and Resource Project (ShARP) - Centre for Warmth	2024 -2026	£4.96	£127,500.00	Read More
Gateshead FC Community Foundation CIO	Bensham - Centre for Warmth	2024 -2026	£3.15	£113,022.00	Read More
Involve Leeds	Involve - Centre for Warmth	2024 -2026	£2.44	£100,725.33	Read More
New Wortley Leeds	New Wortley - Centre for Warmth	2024 -2026	£3.41	£104,463.33	Read More
Fiscus Centre Sunderland	FISCUS - Centre for Warmth	2024 -2026	£11.40	£112,633.16	Read More
Pottery Bank Community	Pottery Bank - Centre for Warmth	2024 -2026	£7.07	£84,715.58	Read More

Lead partner organisation	Project title	Duration	Forecast SROI	Total NGN spend (GD2)	Link to PEA
Groundwork North East	Green Doctors North East and Cumbria	2024 -2026	£3.84	£63,348.18	Read More
The National Energy Foundation	Supporting Centres for Warmth	2024 -2026	£3.36	£81,787.77	Read More
Newcastle Citizens Advice	Fuel Debt Advice	2024 -2026	£4.58	£55,116.00	Read More
Citizens Advice Northumberland	Warm Welcomes	2024 -2026	£4.98	£163,753.00	Read More
Yorkshire Energy Doctor CIC	Warm Homes Healthy People, East Riding	2024 -2026	£1.82	£53,054.00	Read More
The Cedarwood Trust	Cedarwood Centre for Warmth	2024 -2026	£7.91	£98,908.33	Read More
The Wharton Trust	The Annexe Centre for Warmth	2025 - 2026	£7.39	£114,400.00	Read More
Wallsend Memorial Hall and Peoples Centre	The Mem Centre for Warmth	2025 - 2026	£5.66	£97,155.50	Read More
Citizens Advice Carlisle & Eden (CACE)	North Cumbria Energy Support	2025 - 2026	£8.97	£99,972.00	Read More

Collaborative projects (2025/26 delivery)

Partners	Project title	Duration	Forecast SROI	Total NGN spend (GD2)	Link to PEA
Fuel Bank Foundation, Cadent, NGN, SGN (lead GDN), WWU	Fuel Bank Foundation Fuel Crisis Support - Extension	2022 - 2026	£2.61	£173,347.93	Read More
MyBnk, Cadent, NGN, SGN (lead GDN), WWU	MyBnk - Financial Inclusion and Energy Safeguarding School's Programme	2022 - 2025	£15.53	£43,568.01	Read More
The National Association of Citizens Advice Bureaux, NGN, SGN (lead GDN), WWU	Citizens Advice National - Energy Safeguarding and CO Safety Partnership 2023/24 – 2025/26	2023 - 2026	£5.53	£657,480.58	Read More
National Energy Action, Wise Group, NGN, SGN (lead GDN)	Warm and Safe Homes 2025/26	2025 - 2026	£4.14	£58,547.72	Read More
National Energy Action, Cadent, NGN (lead GDN), SGN, WWU	Warm Homes Healthy Futures	2024 - 2026	£2.66	£1,410,987.70	Read More
Income and Expenditure (IE) Hub, Cadent (lead GDN), NGN, SGN, WWU	Income and Expenditure (IE) Hub	2024 - 2026	£4.73	£85,972.82	Read More
Shelter, Cadent, NGN, SGN, WWU (lead GDN)	Working together to prevent homelessness	2024 - 2025	£42.83	£151,138.61	Read More
Citizens Advice Manchester, Turn 2 Us, YES Energy Solutions, Cadent (lead GDN), NGN	Warm Homes Network - Fuel Poverty Partner Eco-System 2023 to 2026	2025 - 2026	£15.81	£1,130,220.00	Read More

Case study

Citizens Advice Northumberland Energise

Energise provides targeted energy and welfare support to vulnerable households across Northumberland, helping those facing fuel poverty to improve affordability and financial resilience.

Thomas*, a 57-year-old living alone in an all-electric property with poor energy efficiency, experienced significant financial difficulty after migrating to Universal Credit, which led to missed payments and around £1,000 of energy debt. With multiple health conditions and limited income, the repayment demands from his supplier were unaffordable. The project enabled a case worker to undertake a full assessment of his circumstances. They liaised with the supplier to verify his account, secured over £3,000 in support, and established a manageable payment plan. He was also referred for additional benefits advice to maximise his income and given energy and carbon monoxide safety guidance.

After the initial support, Thomas returned when incorrect deductions were made from his Universal Credit. The team intervened, resolving the issue with the supplier and DWP, securing a full refund and compensation. As a result, his debt was stabilised, financial pressure reduced, and his ability to maintain affordable energy improved.

Number of people signed up to the Priority Services Register (PSR):	406
Number of customers provided with carbon monoxide (CO) advice:	429
Direct beneficiaries:	472
Social Return on Investment (SROI):	£1.77

*Name changed to protect customer's anonymity.



Case study

Supporting communities through winter Centres for Warmth

In the final year of RIIO GD2, additional VCMA funding was used to provide targeted winter support for vulnerable customers, addressing increased energy costs, financial pressure and social isolation.

Centres for Warmth utilised winter-ready funding and winter warmer packs to extend their reach without reducing core services. This included longer opening hours, weekend and seasonal activities, and the provision of warm, safe spaces offering meals, refreshments and social support. Engagement increased significantly, particularly during weekends, the festive period and local electricity supply interruptions.

900

winter warmer packs distributed to those most at risk

Over 5,000

households received enhanced support through extended services and access to safe spaces

The impact was substantial:

The expanded provision helped reduce isolation, strengthen community connections and ensure continuity of support for vulnerable groups, including those experiencing homelessness, domestic abuse and financial hardship.

Winter packs provided immediate practical support, particularly for older residents and those without stable accommodation, helping them manage cold conditions and reduce anxiety around heating. They also acted as a gateway to wider support, enabling conversations around energy efficiency, Priority Services Register sign-ups and referrals to financial and wellbeing services.

As highlighted by one partner, the initiative provided:

"warmth, food and a sense of belonging when it was needed most."

Overall, the additional funding enabled Centres for Warmth to respond effectively to heightened winter demand, extend their impact, and provide trusted, accessible support when it mattered most.



Supporting priority customers



Supporting priority customers

Some households and individuals require additional support to stay safe and warm at home.

During the year, we strengthened our focus on priority customer groups across our communities, helping to ensure they can access high-quality, trusted services to manage their energy needs. We also continued to support eligible customers to sign-up to the Priority Services Register, so they can receive additional assistance if their gas supply is ever affected.

Over the past year, we have worked to address remaining gaps in delivery and extend support to underserved groups across the 10 categories of priority need identified by NGN in collaboration with stakeholders. These categories are:

- 1. Physical challenges, inclusive of communication issues, physical space
- 2. Mental wellbeing
- 3. Financial hardship
- 4. Temporary vulnerability
- 5. Socio-demographic
- 6. Household composition
- 7. Rural vulnerability
- 8. Accessibility including language
- 9. Medically dependent on energy
- 10. Cultural

This year, we also strengthened our support for farming communities across our region through a project delivered by the Farming Community Network. The partnership has helped us reach households in rural areas that can face heightened risks of fuel poverty and financial insecurity, ensuring more targeted support is available where it is needed most. You can read more about this partnership on page 29.

Key statistics: 2025/26

21,580
customers supported through
this theme in year five -
NGN specific projects

£1,907,515
invested in 2025/26 -
NGN specific projects
GD2 five year spend – for both
NGN and collaborative projects
£7,368,700
This is 30% of our overall
VCMA allowance



NGN specific projects (2025/26 delivery)

Lead partner organisation	Project title	Duration	Forecast SROI	Total NGN spend (GD2)	Link to PEA
DIAL Leeds	Energy Confident	2021 - 2026	£3.24	£49,729.90	Read More
Northern Gas Networks	Back-Office Staff Costs	2021 - 2026	N/A	£288,858.14	Read More
Northern Gas Networks	NGN VCMA Project Co-ordinator	2021 - 2026	£3.62	£192,768.79	Read More
Highfield CO-OP	Visual Impairment Energy Project	2021 -2026	£4.38	£28,750.00	Read More
Highfield CO-OP	Community STEM Events	2021 -2026	£10.36	£31,250.00	Read More
Highfield CO-OP	Mental Health Film and Conversations Project	2021 -2026	£4.26	£31,250.00	Read More
Yorkshire Energy Doctor CIC	Heating for Health	2021 -2026	£1.53	£100,000.00	Read More
Northern Gas Networks	NGN VCMA Vulnerability Trainer	2021 -2026	£4.86	£177,191.36	Read More
Groundwork Yorkshire Limited	Noah's Ark	2022 - 2026	£2.35	£228,000.00	Read More
Age UK North Tyneside	Information and Advice Role	2022 -2026	£15.91	£72,358.00	Read More
Hope 4 U Ltd	NHS Support Service	2023 - 2026	£12.25	£358,349.05	Read More
Northern Gas Networks	Vulnerability Economic Evaluation Analyst	2023 -2026	£2.73	£131,769.00	Read More
Northern Gas Networks	VCMA Project Coordinator 2023	2023 -2026	£3.66	£100,113.00	Read More
Northern Gas Networks	VCMA Vulnerability Partnerships and Relationships Officer	2023 -2026	£2.73	£122,101.00	Read More
Northern Gas Networks	VCMA Communications Manager	2023 -2026	£7.42	£51,662.00	Read More
South Tees NHS Foundation Trust	Maternity Digital Inclusion and Equity	2024 - 2026	£9.49	£277,271.59	Read More
South Tees NHS Foundation Trust	Enhanced Maternity Care	2024 - 2026	£5.81	£235,322.00	Read More

Lead partner organisation	Project title	Duration	Forecast SROI	Total NGN spend (GD2)	Link to PEA
Skills 4 Work Gateshead	A Trusted Source of Information and Practical Support	2024 - 2026	£5.07	£52,768.00	Read More
Groundwork Yorkshire Limited	ESOL Project	2024 - 2026	£22.22	£32,238.00	Read More
The Wise Group	HEAT	2024 -2026	£4.64	£500,000.00	Read More
Citizens Advice Sheffield	Advice in BSL to Deaf Community	2024 -2026	£4.20	£251,147.00	Read More
Northern Cancer Voices	Treat, Heat or Eat Community Engagement	2024 -2026	£2.49	£163,000.00	Read More
The Farming Community Network	Supporting People in Farming and Rural Communities to Improve Energy Resilience and Awareness of Carbon Monoxide	2024 -2026	£10.17	£195,210.00	Read More
Citizens Advice Northumberland	Ageing Well, More Money Less Worry	2024 -2026	£3.24	£165,299.00	Read More
Barnardo's	Building Warmer Futures	2024 -2026	£3.37	£155,819.00	Read More
Northern Gas Networks	Winter warmer packs and heat the person items for NGN partners & CFW	2025 - 2026	£13.25	£93,969.71	Read More
Northern Gas Networks	Winter Support for Centre for Warmth	2025 - 2026	£15.99	£130,000.00	Read More

Collaborative projects (2025/26 delivery)

Lead partner organisation	Project title	Duration	Forecast SROI	Total NGN spend (GD2)	Link to PEA
Strata Nostra, Cadent, NGN (lead GDN)	The Carents Room – Phase 2	2024 - 2026	£62.03	£941,204.00	Read More
Scope, Cadent, NGN, SGN (lead GDN), WWU	Disability Energy Support (DES)	2022 - 2026	£7.03	£403,130.60	Read More
Marie Curie, Cadent, NGN, SGN (lead GDN), WWU	Energy Safeguarding and Tackling Fuel Poverty for Terminally Ill People	2022 - 2026	£12.22	£238,568.96	Read More
Maggie Keswick Jencks Cancer Caring Centres Trust ("Maggie's"), Cadent (lead GDN), NGN, SGN	Maggie's Centres - Safe and Warm	2022 - 2026	£18.82	£31,737.00	Read More
Age UK, Age Cymru, Age Scotland, Cadent, NGN, SGN (joint lead GDN), WWU (joint lead GDN)	Energy Safeguarding - Helping Older People Live in Safe and Warm Homes	2023 - 2026	£17.13	£160,242.12	Read More
Mental Health UK, Cadent, NGN, SGN (joint lead GDN), WWU (joint lead GDN)	Energy Safeguarding and Tackling Fuel Poverty for People with Mental Health	2024 - 2026	£9.07	£68,245.74	Read More
Kidney Care UK, Cadent, NGN, SGN, WWU (lead GDN)	Safe and Warm: Providing a Critical Lifeline to Dialysis Patients Across the UK	2024 - 2026	£16.45	£386,076.88	Read More
National Energy Action, NGN, SGN (lead GDN)	Empowered by Energy	2024 - 2026	£1.60	£34,965.00	Read More
National Energy Action, NGN (lead GDN), SGN	A Warm Welcome	2024 - 2026	£11.93	£82,236.53	Read More
Carers Trust, Cadent, NGN, SGN, WWU (lead GDN)	Alleviating Unpaid Carers from Fuel Poverty	2024 - 2026	£42.03	£601,368.39	Read More

Case study

Barnardo's Barnardo's Building Warmer Futures

Barnardo's Building Warmer Futures supports young people who are moving into independent living and may lack the knowledge and confidence to manage energy costs, budget effectively and keep their homes safe and warm. Many face low incomes, limited awareness of available support, and challenges in understanding energy use, increasing their risk of fuel poverty.

Kacey*, 19, had experienced an unstable home life from a young age and spent several years sofa surfing, which significantly impacted her mental health. After securing her first tenancy, she lacked confidence in managing her finances, safety and household responsibilities. Through the project, Kacey received tailored support including carbon monoxide safety advice, registration to the Priority Services Register, and guidance on budgeting, cooking and energy efficiency to help her live independently.

With ongoing support, Kacey has developed the skills and confidence needed to manage her home and finances, improving her safety and wellbeing as she transitions to independent living.

"Without the help and support from Barnardo's, I wouldn't have felt ready to live on my own. I know they are there for me, I can go to them with any help I might need. I feel better knowing I will be safe and know who to contact if I don't. I am really looking forward to my future."

Number of people signed up to the Priority Services Register (PSR):	65
Number of customers provided with carbon monoxide (CO) advice:	99
Direct beneficiaries:	55
Social Return on Investment (SROI):	£3.37

*Name changed to protect customer's anonymity.



Case study

Farming Community Network

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

Farming Community Network (FCN) supports rural and farming communities who are increasingly facing fuel poverty alongside wider challenges such as isolation, poor health and limited access to services. These factors, combined with low awareness of energy support and the risks associated with poorly maintained appliances, place many households in vulnerable situations. The project focuses on raising awareness of energy efficiency and CO safety while supporting access to the Priority Services Register and income maximisation.

At Westmorland Show, the team engaged with members of the farming community to raise awareness of CO risks and available support. During one conversation, a gentleman became distressed after disclosing that a family member had recently passed away due to CO poisoning. The interaction was handled sensitively, prioritising his wellbeing and ending the conversation at his request. Later that day, he returned after speaking with his family and chose to sign up to the initiative despite the difficult circumstances.

This engagement not only resulted in the customer accessing support but also encouraged wider family awareness, demonstrating the importance of trusted, face-to-face conversations in reaching rural communities and supporting those in vulnerable situations.

Number of people signed up to the Priority Services Register (PSR):	401
Number of customers provided with carbon monoxide (CO) advice:	16,657
Direct beneficiaries:	10,615
Social Return on Investment (SROI):	£10.17



Carbon monoxide (CO) awareness



Carbon monoxide

Carbon monoxide (CO) awareness and safety remain a key priority for NGN

As a Gas Distribution Network, we continue to attend properties every day in response to gas emergency callouts, including incidents involving suspected CO.

Through our emergency response activity, targeted campaigns and collaboration with other Gas Distribution Networks and partners, we work to help customers better understand the risks of CO and the importance of regular appliance servicing and maintenance.

Over the past year, we have continued to strengthen our CO awareness work by providing standard and accessible CO alarms to help safeguard households, partnering with fire and rescue services to reduce risk through safety and wellbeing visits, and delivering both collaborative and NGN-specific awareness campaigns in areas where CO awareness is lowest.

We have also worked closely with other GDNs to improve national data and insight on the prevalence of CO in households, helping to ensure our activity is increasingly targeted, evidence-led and focused on those most at risk.

Key statistics: 2025/26



Progress to date



NGN specific projects (2025/26 delivery)

Lead partner organisation	Project title	Duration	Forecast SROI	Total NGN spend (GD2)	Link to PEA
Highfield CO-OP	Community Energy and Carbon Monoxide Awareness Project	2021 - 2026	£32.67	£27,750.00	Read More
Lake District Foundation	Carbon Monoxide (CO) and Environmental Impact Awareness in Cumbria Campaign	2021 - 2026	£2.19	£95,300.00	Read More
Northern Gas Networks	VCMA CO Alarms	2022 - 2026	£3.75	£395,199.00	Read More
Cleveland Fire Authority	Stay Safe and Warm	2023 - 2026	£6.56	£35,925.00	Read More
Yorkshire Coast Sight Support	Breathing Safe, Keeping Warm	2023 - 2026	£7.71	£22,890.00	Read More
Content Soup Ltd	Comms CO Campaigns	2023 - 2026	6.21	£175,935.67	Read More

Collaborative projects (2025/26 delivery)

Partners	Project title	Duration	Forecast SROI	Total NGN spend (GD2)	Link to PEA
The Scout Association, Cadent, NGN, SGN (lead GDN), WWU	Carbon Monoxide and Energy Efficiency Awareness Programme	2021 – 2026	£3.34	£60,123.60	Read More
Bonanza Creative, Cadent, NGN, SGN (lead GDN), WWU	Bonanza Creative - Carbon Monoxide Schools' Education 2022 - 2026	2022 - 2026	£2.34	£170,917.27	Read More
Eleven Miles, Cadent (lead GDN), NGN, SGN, WWU	Collaborative GDN Winter and Summer Awareness Campaigns	2023 – 2026	£140.00	£115,384.66	Read More
Egnida Innovation Ltd, Cadent, NGN (lead GDN), SGN, WWU	Raising CO Awareness Using Augmented Reality	2023 - 2025	£3.51	£20,000.00	Read More
Gas Safe Charity, Cadent, NGN, SGN (lead GDN), WWU	Think CO App Development	2023 – 2026	£1.10	£4,949.09	Read More
Improving Performance in Practice (iPiP), Cadent (lead GDN), NGN, SGN, WWU	Preventing Harm from Environmental Exposure to Carbon Monoxide (PHECO) - E-Learning for Health	2024 – 2026	£9.58	£49,265.26	Read More
Multiple external partners (refer to PEA), Cadent (lead GDN), NGN, SGN, WWU	CO Partnership Ecosystem - Phase Five	2025 - 2026	£2.76	£72,582.40	Read More

Case study

Tyne and Wear Fire and Rescue Service (TWFRS) Home risk assessments collaboration

As a matter of course, Tyne and Wear Fire and Rescue Service carry out home risk assessments for vulnerable customers, identifying hazards in their homes, providing personalised fire safety advice and the installation of smoke alarms. This seemed like a perfect opportunity to add CO awareness and the provision of a CO alarm at the same visit.

NGN provided some CO training to TWFRS to be cascaded to vulnerable customers. This enabled TWFRS staff to incorporate CO advice at the home visit, ascertaining the customer’s understanding at the start of the visit against their understanding at the end of the visit. CO alarms were provided where required, including accessible systems for customers who are deaf or hard of hearing. These accessible CO alarms have the ability to be connected via a gateway device to other accessible systems within the same home such as vibrating seat pads. TWFRS use an accessible smoke alarm that can be integrated within the same gateway system. Working together in this way means a vulnerable customer can benefit from a range of assistance during just one home visit.

Number of customers provided with CO advice:	751
CO alarms provided:	1,453
Accessible CO alarms provided:	128
Accessible CO gateways provided:	7



Tyne and Wear Fire and Rescue Service



Services Beyond the Meter (SBtM)



Services Beyond the Meter (SBtM)

We help protect vulnerable customers from being left without the essentials many of us take for granted – safe heating, hot water and the ability to cook at home.

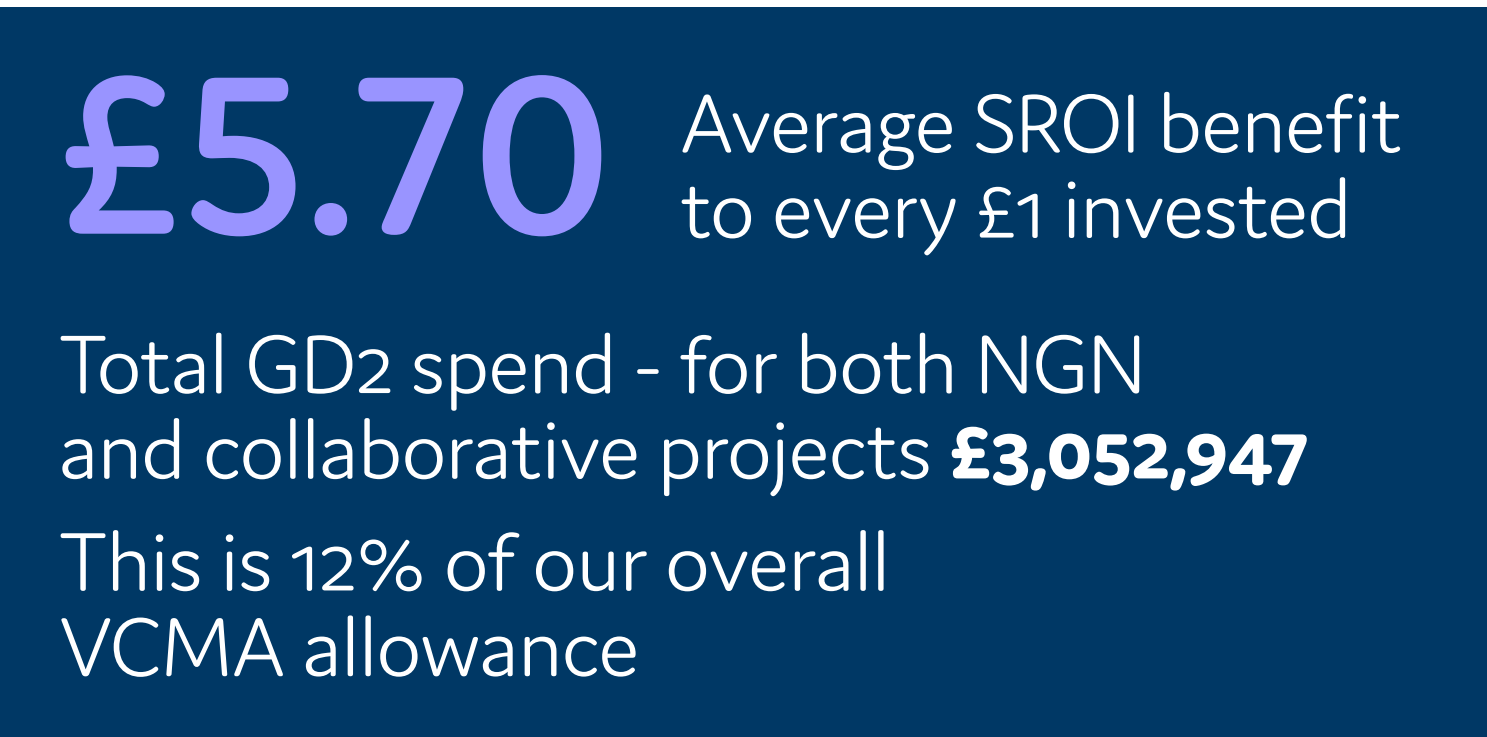
Through our routine operations or responding to gas and carbon monoxide emergencies our engineers identify unsafe appliances and pipework. They may need to condemn appliances and isolate gas supplies, for safety reasons, leaving households already facing hardship without the means to stay safe and warm.

For eligible customers our gas safe engineers can provide support with servicing, repair or replacement of appliances and pipework. Our support provides more than a practical fix – it helps prevent crisis, reduces distress and ensures customers can remain safely in their homes with dignity, warmth and reassurance.

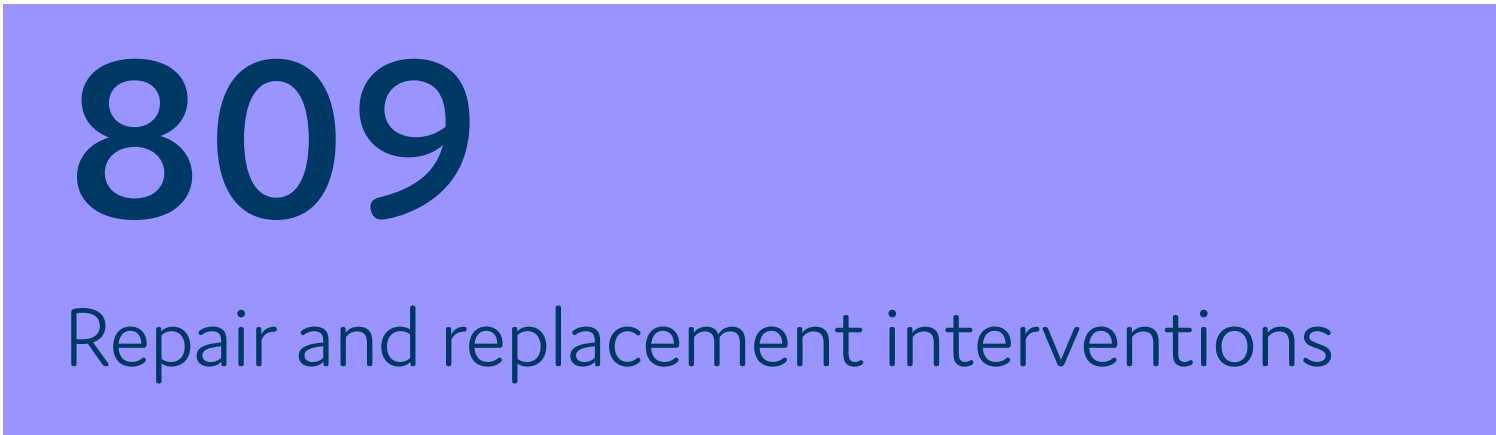
This year, our in-house engineers and customer care advisors continued to deliver tailored support, giving us end-to-end ownership of the customer journey and enabling a more personalised service. We also simplified referrals for trusted partners by clarifying eligibility and introducing an easy process, helping referrals grow steadily throughout the year. Internally, we made the process easier for operational teams by creating simple guidance and a mobile referral route, enabling engineers to identify need and make referrals quickly and sensitively.

We introduced a customer satisfaction survey this year, which showed our support is often described as life-changing – restoring essential services, easing financial pressure and reducing stress and anxiety.

Key statistics: 2025/26



Progress to date



NGN specific projects (2025/26 delivery)

Lead partner organisation	Project title	Duration	Forecast SROI	Total NGN spend (GD2)	Link to PEA
Northern Gas Networks	Customer Care Advisor – MECC	2022 - 2026	£0.15	£125,029.64	Read More
Northern Gas Networks	Services Beyond the Meter Technical Leads	2023 -2026	£4.36	£370,061.00	Read More
Northern Gas Networks	Services Beyond the Meter Project Lead	2023 -2026	£13.25	£129,902.20	Read More
Northern Gas Networks	Services Beyond the Meter	2024 -2026	£4.31	£915,616.83	Read More
Northern Gas Networks	Customer Care Advisor Services Beyond the Meter	2025 - 2026	£6.42	£34,278.00	Read More

Case study

Cooker, pipework and new central heating system

Responding to a report of no gas the engineer attending had to isolate two gas fires, a water heater and the cooker. The customer was in his eighties, living alone and had recently come out of hospital with no family support. He was living in poor conditions and really struggling.

The two gas fires were the only source of heating but due to the condition of the chimney, we were unable to replace them. We found the water heater, all the gas pipework and the cooker in the property to be dangerous and in need of replacement.

To provide heating and hot water, the best option was to install a combi boiler and central heating system. Inevitably this was going to cause major upheaval for the customer. Floorboards would need to come up to install the new pipework, furniture would need to be moved to install radiators.

Navigating the customer through the process, gaining his trust and securing agreement to do the work took time with several visits to reassure him.

This was by far one of the most complex and challenging jobs this year, involving a full re-pipe, installation of a new cooker and a central heating system. It was a great outcome knowing that the customer is now safe and warm in his home.

Before



After



Case study

Referral for a boiler service from Groundwork

Following the changes to Ofgem governance enabling our partners to refer customers for appliance servicing, we engaged with our partners to provide information and a simple referral process.

This is a great example where the service identified issues with the boiler that due to its age were beyond economical repair. The customer was eligible for further support and we were able to replace the boiler; not only ensuring her safety but helping to reduce bills with a more efficient boiler.

When asked what the support had meant to her, the customer said:

**"A warm house,
it's been lovely
and I'm really
grateful."**



Learnings and look ahead



GD2 key learnings

Customers in Vulnerable Situations (CIVS) workshop engagement throughout GD2 (2021–2026) confirmed that NGN delivered a strong and continuously improving VCMA programme. Stakeholder feedback highlighted performance that exceeded expectations and demonstrated a clear commitment to learning-led delivery, providing a strong foundation for the next phase of our approach.

GD2 highlighted a number of important lessons that will shape delivery in the years ahead. Over the period, our approach evolved from reactive crisis response towards a more preventative and strategic model, helping to improve longer-term outcomes for customers. Collaboration across partners and utilities proved essential in extending reach, improving efficiency and increasing impact, while progress in accessibility, inclusivity and transparency strengthened engagement and helped target support more effectively. We also identified opportunities to improve integration across projects and deliver greater consistency, with trusted place-based models and holistic support proving particularly effective for customers with complex needs.

These insights now shape our approach to GD3. We will build on them through a more agile, insight-led model that responds to changing social needs and the ongoing pressures facing both customers and delivery partners. We will continue to work closely with trusted organisations to deepen our understanding of local need and shape delivery in ways that maximise the value of collaboration. We will also place greater emphasis on amplifying the customer voice and using impact stories and case studies alongside SROI evidence to demonstrate the difference our support makes. At the same time, we will further embed vulnerability as business as usual across the organisation, while supporting the long-term sustainability of services that customers rely on. Together, these actions will help ensure GD3 delivery is more joined-up, preventative and grounded in the realities of the communities we serve.



GD3 strategic direction

GD3 strategic direction

These lessons have directly informed NGN's GD3 approach under the new Vulnerability and Carbon Monoxide Initiatives (VCMI) framework, strengthening governance and further embedding vulnerability support as business as usual across the organisation.

As a result, our GD3 strategic direction will place greater emphasis on early intervention and prevention, sustainable long-term support models, enhanced cross-utility collaboration, and stronger efficiency and integration across projects.

We will also target support more effectively towards underserved and high-risk groups, helping to ensure that resources are directed where they can have the greatest impact.

Alongside this, NGN will maintain continuity of high-impact services while continuing to respond to cost-of-living pressures and evolving customer needs.

This strategic direction is reflected in 21 voluntary commitments that will support delivery between April 2026 and March 2031.

Shaped by stakeholder feedback, customer insight and a growing evidence base on vulnerability across our network, these commitments reflect both the scale of ongoing need and the importance of delivering support that is targeted, inclusive and responsive to a changing social landscape.

Key targets

- Provide in-depth support to 38,000 highest-risk households through Tier 1 interventions
- Provide one-to-one advice, guidance and signposting to 113,000 households through Tier 2 support
- Increase shareholder investment to strengthen support for underserved communities
- Expand cross-utility partnerships and regional collaborative Priority Services Register (PSR) strategies with electricity Distribution Network Operators (DNOs)
- Strengthen social value measurement by applying Social Return on Investment (SROI) across shareholder-funded projects where appropriate
- Refer 50,000 customers to the Priority Services Register (PSR) over five years
- Deliver more than 8,500 Services Beyond the Meter (SBtM) interventions to help households stay warm and well
- Increase carbon monoxide awareness by reaching 100,000 customers face-to-face over five years
- Improve project inclusivity through the use of the Inclusivity Impact Assessment Tool

Further detail on our GD3 commitments is set out in our GD3 Vulnerability Strategy.

[View Strategy](#)



Appendices

Appendix 1

Key Performance Outputs 2025/26

[Click here to read](#)

Appendix 2

Stakeholder Engagement Overview 2025/26

[Click here to read](#)

Appendix 3

VCMA Detailed Project Table

[Click here to read](#)



**Thank you for taking the time to read our
VCMA Annual Report 2025/26. We hope that
you have found the content informative.**

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