

Project Eligibility Assessment (PEA)

Project title:	Barnardo's Building Warmer Futures
Funding GDN(s) <i>The GDN(s) which register(s) the project</i>	Northern Gas Networks
New or updated <i>(indicate as appropriate by removing the option that does not apply)</i>	New
Collaborative VCMA Projects <i>Specific role(s) of GDN(s) participating in a collaborative VCMA Project:</i>	N/A
Date of PEA Submission	March 2025
VCMA Project contact <i>Name:</i> <i>Email:</i> <i>Number:</i>	Laura Ratcliffe lratcliffe@northerngas.co.uk 07928501779
Total cost (£k):	*detailed separately
Total VCMA funding required (£k):	*detailed separately

Problem(s)	<p>Fuel poverty is reducing the capacity for young people to complete education and training courses. The young people Barnardo's support are moving toward living independently for the first time and struggling to meet and understand their costs. While those at home lack knowledge of current support available, who to ask for help and require help overcoming any stigma about asking for support.</p> <p>Fuel poverty disproportionately affects younger households in England, with 25% of those headed by individuals aged 16 to 24 living in fuel poverty—nearly double the national average. However, according to Barnardo's research 'Barnardo's 2024 - Empty Plates and Cold Homes' it is likely that the current measure in England underestimates the extent of fuel poverty with as many as 8.9 million households affected, more than double the number identified using current measures.</p> <p>For younger households, the challenge of heating their home is compounded by a lack of access to affordable energy tariffs, lower incomes, the knowledge to switch providers for better rates, lack awareness of or access to</p>
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	<p>government schemes aimed at reducing energy costs, such as the Warm Home Discount or energy efficiency grants. Research shows over 91% of the youngest bill payers couldn't correctly identify all six key energy bill terms – including “dual fuel”, “kWh” and “tariff”. In addition, those aged 16–24 may not qualify for targeted assistance programs that focus on families, pensioners, or those with disabilities.</p> <p>Further complicating the matter is young adults often rent in the private sector, which is known for older, poorly insulated properties with older inefficient heating systems. Leaving tenants vulnerable to higher energy costs and at risk of faulty systems which can cause harm.</p> <p>Solution</p> <p>This project responds to the needs of young people (16-25) by working with young people to educate and train them to engage with energy - issues, provide understanding, tools, personal support and resources that they need to make better - informed choices and decisions around energy saving and safe usage, including:</p> <ul style="list-style-type: none"> • Benefits advice and income maximisation • Debt advice • Support with gas and electricity accounts including fuel debt • Switching suppliers • Energy efficiency options • Applications for support and relief • Water rates (tips to reduce water use and qualifying for a low-income tariff) • Warm Home Discount • Priority Services Register information and registration • Increased CO awareness
Scope and Objectives	<p>Scope</p> <ul style="list-style-type: none"> • Provide and develop training, awareness sessions, activities, and opportunities for young people to learn about energy and how to manage bills

	<ul style="list-style-type: none"> • Provide training and support to staff and volunteers around energy awareness and how they can use the toolkits to integrate energy advice into their work • Encourage young people to support their networks with advice and information • Provide one-to-one advice to young people via technological platforms such as Zoom <p>Objectives</p> <ul style="list-style-type: none"> • Improve confidence in managing household budgets • Reduce worry and anxiety about utility bills • Improve financial stability and reduce vulnerability to fuel debts • Generate financial savings on energy bills • Ensure they are warm and well in their homes • Increase awareness about the dangers of CO • Income maximisation through support and access to new employment opportunities • Provide free CO detectors to those in need
Why the Project is being funded through the VCMA	<p>This project qualifies under the criteria for VCMA funding, as it will support a wide range of vulnerable customers who are living in financial hardship and fuel poverty as well as raising awareness of CO and the PSR. As the project has mental wellbeing and financial hardship themes, it aligns with NGN'S Vulnerability Strategy too.</p> <p>This project aims to support our Centres for Warmth in assisting their communities with immediate crisis support, to deal with the significant impacts of fuel poverty, as well as other financial hardship.</p> <p>There will be no collaboration from other GDN's nor other funded sources.</p> <p>Eligibility criteria</p> <ul style="list-style-type: none"> • This project has a positive SROI • This project will support NGN's Vulnerability Strategy by aligning with the Financial hardship theme and the wider vulnerability categories of: <ul style="list-style-type: none"> • Financial hardship • Accessibility, including language • Socio-demographic • Cultural • Mental Wellbeing themes

	<ul style="list-style-type: none"> • Has defined outcomes as required <p>Goes beyond NGN's licence obligations and price control funded mechanisms</p>
Evidence of stakeholder or customer support	<p>Asking our stakeholders what's important – using our wide range of engagement mechanisms from strategic workshops to customer perceptions, we asked stakeholders to prioritise what is most important to them. Since 2019 we've held regular workshops with our stakeholders, on the subject of Customers In Vulnerable Situations (CIVS). This ensures that we are well informed to address the needs of customers across our network and through collaborative projects.</p> <p>Stakeholder engagement throughout 2022, 2023 and 2024, told us that fuel poverty and the choice between heating and eating is becoming more prevalent. The energy and cost of living crises have further compounded this issue. This project provides a solution to helping those customers who are financially struggling and need extra help to address energy affordability. The project fully aligns with the need to help vulnerable customers in fuel poverty. This was based on a combination of the following vulnerability factors:</p> <ul style="list-style-type: none"> • Fuel poverty • Benefit claims • No qualifications • Long term health problem / disability <p>Stakeholder engagement during 2023 has informed us that financial hardship is still a key area of focus, alongside the health impacts associated with, or exacerbated by, living in cold and damp homes. Stakeholders also told us that increasing capacity for support within services would be key to addressing the immediate and longer-term impacts of fuel poverty and energy affordability. This project addresses this need and ensures additional capacity to support households who may be at risk, through a well-established and trusted advice service.</p> <p>Through research carried out in 2023, the findings show that the 5 original NGN vulnerability categories have now evolved to 10 categories. These are:</p> <ul style="list-style-type: none"> • Physical challenges, inclusive of communication issues, physical space • Mental wellbeing • Financial hardship • Temporary vulnerability – including post hospital recovery and pregnancy / maternity • Socio Demographic • Household composition • Rural Vulnerability • Accessibility Including language • Medical Dependant on Energy

- Cultural

Feedback from our Spending allowances well - health focus (September '23) workshop, indicated that one of the biggest concerns was health, specifically the link between living in a cold, damp home and the impact on health. Health projects are a priority for NGN this regulatory year and the need for winter warmer packs and heat the person items are growing as the cold weather sets in.

Through extensive engagement with stakeholders, we are seeing a number of key themes coming through consistently in terms of the impact of health and increased risks associated with cold, damp homes. Some notable observations and key areas are:

- We're seeing evidence of more expensive fuel costs for those with disabilities and those living with specific health conditions
- We're seeing a rise in mental health issues within our network – and acknowledging this as a barrier to engagement in longer term support
- We're acknowledging increases in the risk of CO poisoning – and looking at ways to identify and address this

Feedback from our annual VCMA Showcase Event (July 2024) included questions around how GDN's can help people who are not traditionally eligible for support, so many are in private rented or mortgage properties and do work. This project will help vulnerable customers regardless of their property tenure. Stakeholders also mentioned enhanced health risks that cancer sufferers face. This project will help keep customers living with cancer warm and well in their own homes.

Feedback from our Supporting Communities Together Event (October 2024) told us that the support is needed now more than ever to help customers stay warm and well in their own homes. Stakeholders also mentioned that If bills can't be lowered by price per kWh, then support advice initiatives re: other ways to stay warm should be available to customers. Stakeholders also mentioned that NGN should support customers this winter by providing practical support in the form of winter warm packs, vouchers etc.

Independent Stakeholder Group (ISG)

This group previously known as the Customer Engagement Group, provides an independent oversight into the actions we take to support our customers in vulnerable situations. Checking we've got it right – using a range of engagement mechanisms to assess and challenge our response to stakeholder feedback, ensuring we are responding in the right way. This has offered us robust challenges into how we deal with customers in vulnerable situations which meets the needs of our stakeholders. The ISG work with NGN, to create the content of the Customers In Vulnerable Situations (CIVS) workshops, previously detailed in the document.

Vulnerability Strategy (Updated Spring 2024)

	<p>NGN's dedicated Customers in Vulnerable Situations Strategy is continually reviewed to reflect changes in need. The most recent update was in June 24, reflecting the increase in the Vulnerability and Carbon Monoxide Allowance from c£7m to £20m. This ongoing strategy review continues to be informed by Stakeholder feedback. The six strategic principles, detailed below, form the basis of the strategy. Different support mechanisms and approaches have been mapped against each of the six principles, reflecting priority areas from stakeholder feedback.</p> <p>The six key priority areas identified by our stakeholders are summarised below:</p> <ul style="list-style-type: none"> • Priority Area 1: Increased focus on health • Priority Area 2: Collaboration and linking up partners and funding • Priority Area 3: Increasing capacity for support within partner organisations • Priority Area 4: Connecting and responding to different aspects and complexities of vulnerability • Priority Area 5 – Continued support for those in financial hardship • Priority Area 6 - Scaling up existing projects
Outcomes, associated actions and success criteria	<p>3.1 Outcomes</p> <ul style="list-style-type: none"> • 2,100 people to receive information on CO awareness and energy information • 200 young people given energy advice using the new toolkit • 150 young people receive one-to-one specialist energy advice • 1,500 young people engaged through awareness sessions and other activities <p>Associated outcomes</p> <ul style="list-style-type: none"> • Practical support: Opening bank accounts, setting up direct debits (the best energy rates are offered for direct debit), • Budgeting & Money Management, Benefits Advice, Developing Financial Living skills, • Digital skills training to build confidence in navigating energy sites & sending emails, meter readings. • Training provided to <u>8</u> members of staff who work with young people on energy awareness and the toolkit • Young people actively support their networks by sharing energy-saving advice, Co awareness and tips. <p>3.2 Success criteria</p>

	<ul style="list-style-type: none"> • 80% of young people can identify fuel poverty and its impacts. • 80% of young people can identify at least three government schemes, energy-saving tips, or support services available in the UK. • 80% of young people can read and understand energy bills and tariff options. • 80% of young people understanding of the dangers and ways in which they can prevent harm for themselves and others from CO. • 80% of young people have an improved understanding of energy efficient measures • 80% of young people understand their options to reduce energy-related outgoings, including energy costs and debt • 80% of young people have Improved confidence in their ability to address future income and energy related issues
Project Partners and third parties involved	Government agencies, private foundations, corporate sponsors, local councils, educational authorities, and employment services that collaborate with Barnardo's or refer young people to the program
Potential for new learning	Any learning will be shared with stakeholders, including GDN's, DNO's and water companies.
Scale of VCMA Project and SROI calculations, including NPV	This project has a positive SROI return. SROI: £3.37 NPV: £511,379.92
VCMA Project start and end date	March 2025-March 2026
Geographical area	Newcastle and Yorkshire
Internal governance and project management evidence	VCMA Governance Group Meeting: 25 th February 2025 Outcome of meeting: Approved
Approved by: Job Title:	Eileen Brown Customer Experience Director
Signature:	