

Project Eligibility Assessment (PEA)

Project title:	The National Energy Foundation (NEF)
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>In October 2021, it was estimated that four million UK households were living in fuel poverty (National Energy Action). It was recognised that nearly half of low-income households were still living in hard to heat homes, and the rate of improvements was well below what is needed to lift people out of fuel poverty by a target date of 2030. Since then, the UK's energy prices have more than doubled rapidly and it is currently estimated that there are over 6.7 million households living in fuel poverty in the UK. For the most vulnerable individuals in the UK, the very idea of home should encompass comfort and security. However, it's most likely that it's vulnerable customers that are living in a cold and poorly insulated home.</p> <p>As the cost of living continues to escalate, driven by soaring energy expenses, this crisis disproportionately affects low-income households. Nearly one in three UK households is struggling with the financial weight of fuel poverty, which extends into other essential areas such as food and heating. Navigating the available support services proves to be an intricate challenge for those most in need. Variances across local authority regions, rapidly changing government policies, coupled with the complexities of accessing support, can be too much for many customers to manage independently. Many vulnerable households remain excluded from vital</p>
-------------------	---

	<p>assistance, trapped in the cycle of poverty and living in a cold and unhealthy home as a result.</p> <p>This grave situation underscores a simple belief: no one should endure cold and discomfort within their own home. Yet, for countless individuals in the UK, this is a daily reality. The National Energy Foundation (NEF) recognises the urgency of the matter and is committed to bridging the gap.</p> <p>The Solution:</p> <p>The foundation of this support is fuel poverty advice and intervention. As part of this project, NEF would deliver this service in partnership with NGN Centres for Warmth as an independent, trusted provider. Through this partnership, NEF would seek to become a trustworthy service across and within communities, helping vulnerable people to benefit from extended fuel poverty and energy efficiency advice.</p> <p>NEF will support the Centres for Warmth through their case management approach. This means anyone seeking energy efficiency and fuel poverty support will be cared for as long as is required. They will be guided through a comprehensive range of interventions to improve their personal circumstances in the manner that works for them. This includes access to emergency funds where they are needed most for small measures or emergency fuel vouchers.</p> <p>Beyond this, comprehensive assistance that leverages partnerships and funding to not only mitigate fuel poverty, but also elevate overall warmth and wellbeing. By tackling income disparities, managing financial burdens and debt, and enhancing energy efficiency and warmth, they're dedicated to delivering tangible, lasting change to the lives of those who deserve it most.</p>
Scope and Objectives	<p>The Scope</p> <ul style="list-style-type: none"> • Dedicated Helpline: Provide a dedicated helpline to each of the Centres for Warmth across the NGN delivery area to provide personalised assistance and guidance to households grappling with fuel poverty, providing a reliable point of contact for immediate support. • Tailored Case Worker Support: Offer comprehensive case worker support that includes expert energy efficiency advice, thorough assessments of eligibility for energy efficiency grant-funded schemes, determination of eligibility for the fuel poor network

	<p>extension scheme, assistance with energy bill advocacy, crucial carbon monoxide safety conversations, installation of locking cooker valves, and access to the Priority Services Register.</p> <ul style="list-style-type: none"> • Engagement with Centres for Warmth: NEF will proactively engage with the Centres for Warmth, building strong, trusted relationships with the centres to facilitate the maximum number of referrals to deliver the most support possible. • Comprehensive Support Services: Ensure a holistic approach by facilitating access to health, income, and housing support services that extend beyond energy-related concerns. Connect households with vital resources such as healthcare services, debt relief programs, income and benefits checks, Local Authority services, and support from charitable organisations. NEF have, for example, 15 active referral partners in the delivery area (e.g. Groundwork Yorkshire, Salvation Army Yorkshire and Humber and Citizens Advice, County Durham foodbank, Citizens Advice North Yorkshire and other local advice charities such as Roundabout, Together Women, Humankind). They are also working with Primary Care Networks, Social Prescribers, Respiratory Teams, Hospital Discharge teams, Fire and Rescue, Age UK and more. <p>The objectives</p> <ul style="list-style-type: none"> • Enhance Accessibility: Work directly with Centres for Warmth to increase support to vulnerable individuals in areas of high deprivation, ensuring that those most in need can easily access the resources and interventions offered. • Provide 750 referred households information on the energy advice and support services – either to inform and empower them to improve energy efficiency, access financial assistance, or to invite them to a personalised support session to provide facilitation to access help • Deliver Personalised Support: For maximum in-depth impact, we will undertake 750 in-depth home visits allowing us to address fuel poverty issues in person in much greater detail. • Enhance Partnerships and Capacity: Collaborate with diverse referral partners, including health and social care entities, local authorities, and community groups, to extend the reach of the service to vulnerable individuals.
<p>Why the Project is being funded through the VCMA</p>	<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</p>

	<p>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 • 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</p>

capacity to support households who may be at risk, through a well-established and trusted advice service.

Through research carried out in 2023, the findings show that the 5 original NGN vulnerability categories have now evolved to 10 categories. These are:

- 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.

	<p>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.</p> <p>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.</p> <p>Vulnerability Strategy (Updated Spring 2024) 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
<p>Outcomes, associated actions and success criteria</p>	<p>The heart of this partnership is in improving access and amplifying resources to tackle the root causes of fuel poverty. By partnering with the Centres for Warmth, this partnership seeks to make a meaningful impact by supporting those in need address the underlying causes of fuel poverty and extending the help available to all households within the scheme. As part of the 750 homes referred, NEF will conduct 75 home visits, deliver 200 small measure packs (funded by NEF), speak to every home about carbon monoxide and smart meters, put 150 onto the priority service register, work to maximise income for 450 people, and give 150 homes emergency fuel vouchers. This approach ensures that individuals receive truly tailored and</p>

effective support, addressing the unique challenges they face in achieving warmth and wellbeing.

Success criteria

Number of total beneficiaries = 750 (broken down as)	750	450	200	150	75	60	30
In depth Energy Efficiency Advice	✓						
Home visits					✓		
Smart Metering	✓						
PSR Registrations				✓			
Educate individuals on carbon monoxide (CO) awareness	✓						
Income maximisation advice, such as supporting with applying for benefits		✓					
Debt write-off, debt advice and debt management						✓	
Support Service Referrals				✓			
Front line staff Training Sessions							✓
Emergency vouchers provided by NEF				✓			
Warmth packs			✓				

Project Partners and third parties involved

NEF will deliver case management for those referred from the Centres for Warmth and therefore will not enter into any formal contracted partnerships. However, to ensure success on this project we are already engaging with a range of supportive partners across the region. We have, for example, 15 active referral partners in the delivery (e.g. Groundwork Yorkshire, Salvation Army Yorkshire and Humber and Citizens Advice, County Durham foodbank, Citizens Advice North Yorkshire and other local advice charities such as Roundabout, Together Women, Humankind). We are also working with Primary Care Networks, Social Prescribers, Respiratory Teams, Hospital Discharge teams, Fire and Rescue, Age UK and more.

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: £3.36
NPV: £229,576.47

VCMA Project start and end date

January 2025-December 2025

Geographical area	<p>The geographic areas covered initially, in line with where the Centres for Warmth are located, are the following:</p> <ul style="list-style-type: none"> • South Tyneside • Durham • Redcar • Leeds • Scarborough • Sunderland • Bradford • Kirklees • Hull • Middlesbrough • Northumberland • Hartlepool
Internal governance and project management evidence	<p>VCMA Governance Group Meeting: 31 Dec 2024 Outcome of meeting: Approved</p>
Approved by: Job Title:	<p>Eileen Brown Customer Experience Director</p>
Signature:	