

Project Eligibility Assessment (PEA)

Project title:	Centre for Warmth-Winter Readiness
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	August 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>Our current 20 Centres for Warmth have been actively supporting their communities throughout the cost-of-living crisis. Coupled with the rise in energy costs, more and more families are seeking support. We envisage an even greater demand this winter, especially between October and March, in particular with:</p> <ul style="list-style-type: none"> • Combating food and fuel poverty • Access to meals, emergency supplies and warm spaces <p>Solution</p> <p>To provide the Centres for Warmth with an additional £6,500 per centre (£130,000) and 40 winter warmth packs (£27,976) to help the most vulnerable within their communities.</p> <p>The funds will assist Centres with opening longer to provide a warm space for their communities weaving in energy efficiency information to help with reducing bills and changing tariffs. It will provide for ingredients for hot food and drinks to be made available to the increased number of visitors. Vulnerable customers will be encouraged to register on the PSR and advised about the benefits for them in doing so. Our current 20 centres are:</p> <p>Khidmat Centre, Bradford Shildon Alive, County Durham Chestnut Centre, Huddersfield Bilton Hall, Jarrow Hope Foundation, Middlesbrough Redcar Baptist Church, Redcar</p>
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	<p>The Centre, Cumbria Focus4Hope, Brighouse Rainbow Centre, Scarborough Sharp Project, Sunderland The Well, Hull Bensham Centre, Gateshead New Wortley Centre, Leeds Involve Centre, Leeds The Annexe, Hartlepool Fiscus Centre, Sunderland Pottery Bank Centre, Newcastle The Mem and Peoples Centre, Wallsend Cedarwood Centre, North Shields Windhill Centre, Bradford</p>
Scope and Objectives	<p>To provide access to community engagement activity reducing social isolation providing a warm space and food on a daily basis. This additional support would help vulnerable customers during a difficult and cold period to:</p> <ul style="list-style-type: none"> • Reduce food and fuel Poverty • Improve well-being and mental health • Reduce health inequity and financial anxiety • Assist those in receipt of benefits and low incomes <p>Services will incorporate information around energy efficiency, PSR awareness whilst offering a warm safe space with access to hot or cold food/drinks.</p>
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 energy efficiency and the PSR. As the project has mental wellbeing and financial hardship themes, it aligns with NGN'S Vulnerability Strategy too.</p> <p>NGN's Centre for Warmth approach affords an opportunity to help their communities to deal with the significant impacts of food and 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 This project has a positive SROI</p> <p>This project will support NGN's Vulnerability Strategy by aligning with the Financial hardship theme and the wider vulnerability categories of:</p> <ul style="list-style-type: none"> • Financial hardship • Accessibility, including language • Socio-demographic • Cultural • Mental Wellbeing themes • Has defined outcomes as required

	<ul style="list-style-type: none"> • Goes beyond NGN's licence obligations and price control funded mechanisms
Evidence of stakeholder or customer support	<p>Within the Northern Gas Networks region, we serve 2.7 million gas-using households. The socio-economic characteristics of our region mean that we operate in many communities that are amongst the most economically deprived in the whole country. This was a key factor in our prioritising engagement with vulnerable and hard-to-reach groups of customers, telling them about our services, about what we do and how we could improve. Each year, we undertake analysis of all the insight we've heard in the previous year to prioritise those issues our stakeholders most want to engage on. Over the past 12-18 months, we've done this in a number of ways.</p> <p>Customers in Vulnerable Situations (CIVS) Workshops</p> <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>The topics of the workshops are listed below:</p> <ul style="list-style-type: none"> • Spending allowances well - Health focus, Energy affordability-12th September 2023 • Energy affordability-staying warm and healthy at home-21st November 2023 • Meeting demand-capacity and resilience-6th February 2024 • Annual Strategic Workshop-April 24 • GDN VCMA Showcase event-18th July 2024-online • NGN Annual Stakeholder Conference-12th September 2024-Hybrid (online and in person) • NGN Annual Open Day-16th October 2024-in person • CIVS Hot Topic Workshop – 10th December 2024 – Behind Closed Doors – making every contact count - online • Annual Strategic Review and Planning Workshop 2025-13th May 2025-online • Supporting Communities Together, NGN Annual Open Day-10th June 2025-in person • GDN VCMA Showcase event-9th July 2025-online <p>Stakeholder engagement throughout 2023 and 2024 told us that financial hardship, fuel poverty and health were the key areas of focus. In particular directing people towards good quality energy efficiency and fuel poverty advice. With regards to the concern about health this was specifically the link between living in a cold, damp home and the impact on health. 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 that additional capacity to support households who may be at risk, through a well-established and trusted advice service. This project will also ensure a holistic</p>

structured approach, tackling an immediate need to support fuel poor households and 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.

Each year we use our annual Customer Perceptions Research to understand the priorities of our customers. Amongst a set of general tracker questions i.e., same questions that are asked year on year, the evidence in the most recent research (Spring 2023), indicated that keeping bills as low as possible ranked more highly, than providing a safe and reliable supply of gas. This is a clear indication, as to how concerned customers are about the cost of energy and the subsequent impact this will have on other bills. Customers were also asked to prioritise the list of vulnerabilities listed below:

- Mental wellbeing
- Rurality
- Temporary vulnerability
- Physical challenges
- Financial Hardship

This was the order of priority from the customers surveyed:

- Financial Hardship
- Physical challenges
- Mental wellbeing
- Rurality
- Temporary vulnerability

Financial hardship continued to be the dimension of vulnerability that most customers prioritised, with more customers in the most recent survey selecting this as their top priority. Physical challenges were second, closely followed by Mental well-being third. Rurality and Temporary vulnerability were ranked fourth and fifth.

(Autumn 2023) Bespoke Vulnerability Stakeholder Mapping research identified categories of stakeholders that are hard to reach, this included:

- People living with a disability
- Senior citizens with long term conditions
- Pregnancy and maternity
- Mental health

Health conditions which are prevalent in the NGN region are:

- Cancer and chronic kidney disease
- Musculoskeletal conditions
- Respiratory
- Mental health

Through the research carried out, 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

	<ul style="list-style-type: none"> • Temporary vulnerability – including post hospital recovery and pregnancy / maternity • Socio Demographic • Household composition • Rural Vulnerability • Accessibility Including language • Medical Dependant on Energy • Cultural <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. 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>Outcomes</p> <ul style="list-style-type: none"> • Prevention of crisis situations • Help with reducing bills • Reduction in social isolation • Reduction in hospital admissions • increased awareness of energy efficiency and the benefits of being on the PSR. <p>Success criteria</p> <ul style="list-style-type: none"> • 5200 vulnerable customers supported

	<ul style="list-style-type: none"> • 800 winter warmth packs issued • 800 customers benefitting from energy efficiency information
Project Partners and third parties involved	20 Centres for Warmth across our region.
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: NPV:
VCMA Project start and end date	October 2025-March 2026
Geographical area	Entire NGN region
Internal governance and project management evidence	VCMA Governance Group Meeting: 26 th August 2025 Outcome of meeting: Approved
Approved by: Job Title:	Eileen Brown Customer Experience Director
Signature:	