

Project Eligibility Assessment (PEA)

Project title:	Warm pack support Items – Supporting Vulnerable People
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>Many of our customers that are living in vulnerable situations are often struggling to pay for the basics i.e. food and affordable warmth, for themselves and their families. This has been further impacted due to the recent energy and cost of living crises. Whilst increased levels of support offer an immediate relief from drop in temperature and cold homes, the support is not a long-term solution. Customers who would otherwise be more comfortable in their own homes, need practical support to tackle the systemic issues like fuel poverty, access to benefits, and support to maximise their income.</p> <p>The solution</p> <p>Using VCMA funding, we can purchase a large number of winter warmer packs and heat the person, not the home items. We will distribute to vulnerable customers across our network that we come into contact with. We will also provide our community and charity partners with the winter warmer packs and heat the person items to distribute to their most vulnerable customers. These grass-root organisations, are the trusted intermediaries who engage with hard-to-reach communities on a daily basis.</p>
Scope and Objectives	<p>The funding will see winter warmer packs and heat the person items being purchased over the remaining period of GD2 (December 2024 – 31st March 2026). NGN will continue to distribute the packs and items to customers in vulnerable situations as per the Ofgem VCMA guidance on vulnerable customers. We will continue to use our strategic, community and charity partners, to target communities in the highest areas of deprivation, whilst providing CO awareness surveys and measuring customer's knowledge both pre and post awareness survey and registering customers onto the Priority Service Register (PSR).</p> <p>The objectives of this initiative are:</p>

	<ul style="list-style-type: none"> • Provide support to customers living in vulnerable situations / their families • Provide a free winter warmer pack to customers that are on the Priority Services Register (PSR) • Referrals to the PSR for customers who contact NGN partners for a winter warmer pack, or a heat the person item, who may be eligible although are not on the register • Help customers in vulnerable situations to stay warm and well in their own homes • Warm packs consist of small measures such as thermal blankets, gloves, socks, a hat, thermos, hot water bottle, and a flask. Our packs will also include information promoting the Priority Service Register (PSR), Carbon Monoxide (CO) awareness, and useful tips to use energy more efficiently • Heat the Person items will typically be a heated throw – offering an immediate, direct, low voltage heat source. These items will be issued in limited numbers and specifically restricted to people who are adversely impacted by the cold, e.g. people with health issues meaning that they are more susceptible to the cold, or who struggle to keep warm even in a heated room. <p>Scope</p> <ul style="list-style-type: none"> • Winter warmer packs have been ordered and will be distributed to vulnerable customers and VCMA partners across the NGN network • Heat the person items have been ordered and will be distributed to vulnerable customers and VCMA partners across the NGN network • Raise awareness of benefits of being on the PSR • Provide CO awareness information • Covers all of NGN network
<p>Why the Project is being funded through the VCMA</p>	<p>This project qualifies for VCMA funding, under the relevant criteria, as it will support those customers living in vulnerable situations who require extra support to stay warm in their own homes. This additional support will also provide NGN partners with winter warmer packs and heat the person items to distribute to their most vulnerable customers, some of which NGN may never have any interaction with.</p> <p>As the project has the potential to cover all of NGN’s Customers In Vulnerable Situations (CIVS) Strategy, around financial hardship, temporary vulnerabilities, rurality, physical disabilities, and mental health, it aligns with the VCMA criteria.</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"> • Customers who are on the PSR and require a winter warmer pack, could potentially fall under one or more vulnerabilities identified under NGN's CIVS Strategy • Has defined outcomes as required (see outcomes section) • Goes beyond NGN's licence obligations and price control funded mechanisms
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.

	<p>Vulnerability Strategy (Updated Spring 2024)</p> <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
Outcomes, associated actions and success criteria	<p>Part of the success criteria will be identified through the distribution of the alarms to customers most at risk of harm caused by CO. This risk will be measured through a number of factors including a customer's ability to purchase an alarm, being on the PSR, means to afford gas appliance servicing and existing knowledge on the signs, symptoms and dangers of CO.</p> <ul style="list-style-type: none"> • Provide support to customers living in vulnerable situations / their families • Provide 1,500 free winter warmer packs to customers that are on the Priority Services Register (PSR) • Referrals to the PSR for customers who contact NGN for a winter warmer pack, or a heat the person item, who may be eligible although are not on the register • Provide 300 heat the person items to the most vulnerable customers within the NGN network <p>Success criteria</p> <ul style="list-style-type: none"> • Increased knowledge and awareness of CO • PSR referral sign ups across the NGN network • Winter warmer packs provided to customers in vulnerable situations across the NGN network • Heat the person items provided to customers in vulnerable situations across the NGN network • Help customers in vulnerable situations to stay warm and well in their own homes

Project Partners and third parties involved	NGN have partnerships with various groups and organisations across the NGN network. They will help deliver both winter warmer packs and heat the person items through their visits and engagements.
Potential for new learning	Increase in knowledge of CO including signs and symptoms. Any other learning will be shared with GDN's and other partners as well as internally and with social stakeholders.
Scale of VCMA Project and SROI calculations, including NPV	This project has a positive SROI return. SROI: £4.90 NPV: £681,443.86
VCMA Project start and end date	1 st December 2024 - 31 st March 2026
Geographical area	This project will take place within NGN geographical area
Internal governance and project management evidence	VCMA Governance Group Meeting: 31 st January 2025 Outcome of meeting: Approved
Approved by: Job Title:	Eileen Brown Customer Experience Director
Signature:	