Start date: April 2026
PEA reference: PCG-Collab-013a

Safe & Warm Grassroot Community Scheme

Vulnerability and Carbon Monoxide Allowance (VCMA)
Project Eligibility Assessment (PEA)







UK GAS DISTRIBUTION NETWORKS

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Project registration table

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<tr><td>Strategic area</td><td>Supporting Priority Customer Groups</td></tr>
<tr><td>Lead partner name</td><td>Centre for Sustainable Energy</td></tr>
<tr><td>Lead GDN(s)</td><td>SGN</td></tr>
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<tr><td>New/Updated</td><td>New</td></tr>
<tr><td>Collaborative VCMA Projects
Specific role(s) of GDN(s) participating in a collaborative VCMA Project</td><td>All three GDNs will work directly with CSE to identify and support grassroot organisations.
SGN to lead on oversight and coordination of project</td></tr>
<tr><td>Date of PEA submission</td><td>May 2026</td></tr>
<tr><td>Project start and end date</td><td>April 2026 – March 2028</td></tr>
<tr><td>Project location</td><td>NGN, SGN & WWU’s network areas</td></tr>
<tr><td>Sectors involved</td><td>Gas Distribution Network
Charitable Organisation</td></tr>
<tr><td colspan="2">Project contact</td></tr>
<tr><td>Name</td><td>Margaret Hamilton</td></tr>
<tr><td>Contact details</td><td>Positive.impact@sgn.co.uk</td></tr>
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<tr><td>Gas Safe Charity</td><td>CO Safety training</td></tr>
<tr><td colspan="2">Costs and funding</td></tr>
<tr><td>Total cost (£k)</td><td>£1,150,000</td></tr>
<tr><td>Total VCMA funding required (£k)</td><td>
<table>
<tr><th>GDN</th><th>Percentage</th><th>Funding</th></tr>
<tr><td>NGN</td><td>32.17%</td><td>£370,000</td></tr>
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<tr><td>WWU</td><td>26.09%</td><td>£300,000</td></tr>
<tr><td>Total</td><td>100%</td><td>£1,150,000</td></tr>
</table>
</td></tr>
<tr><td>Total BAU vulnerability and CO safety activity baseline allowance funding by activity (£k)</td><td>*Will be assessed once mobilised and updated to reflect actual costs</td></tr>
</table>

Problem(s)

This section needs to outline the problem(s) which is/are being addressed by the VCMA project.

UK households continue to face high energy costs and many also face the challenge of hard to heat housing. Since 2021, energy prices have almost doubled, and as of early 2026, it's estimated that around 6.7 million households across the UK are living in fuel poverty. Nearly half of low-income households remain in homes that are hard to heat, leaving millions exposed to cold, damp conditions that harm their physical and mental health.

While government support schemes have provided much needed support for many, energy costs remain high and real wages have not kept pace with rising living expenses. Many households are struggling to meet their energy bills or maintain safe appliances. Ofgem and charity analysis from mid-2025 show that households in Great Britain now owe over £4.4 billion in energy debt and arrears, with well over a million households in debt without any repayment plan in place.

The complexity of available energy and financial support schemes, combined with stigma around seeking help, means that many people do not access the assistance they need. Meanwhile, national and local support agencies are struggling to meet demand, and many vulnerable households risk slipping through the cracks.

Community and grassroots organisations play a crucial role in identifying and supporting people who are vulnerable and also those most at risk of fuel poverty within their communities. Their close and trusted relationships within neighbourhoods allow them to reach people who are less engaged with national campaigns or unaware of formal support routes. However, many small organisations face their own barriers, limited funding, staff capacity, and gaps in technical skills around energy awareness and energy safeguarding.

Scope and objectives

Outline the scope and objectives of the VCMA project linked to the problem statement above. This should be clearly defined including the benefits which would directly impact customers on the participating GDNs' network(s), and where the benefits of the VCMA Projects lie.

The project will build a community led energy safeguarding network across the GDN areas, delivered in partnership with Centre for Sustainable Energy (CSE). It will focus on identifying, training and supporting grassroots organisations so they can confidently and sustainably help local households in, or at risk of, energy crisis.

Together, the GDNs and CSE will:

- Use a mix of network, community and socio-economic data to identify grassroots organisations working with communities most likely to experience fuel poverty
- Prioritise organisations that can clearly demonstrate trusted local relationships with people who would benefit from support with energy safeguarding (for example, low income- households, people in vulnerable situations, and under-served communities).
- Provide tailored training on energy safeguarding, including understanding fuel poverty, safe heating, gas safety, carbon monoxide risks, and how to recognise households in energy crisis.
- Provide practical resources and tools to deliver clear, accessible engagement on topics such as energy and money advice pathways, the Priority Services Register, financial crisis support, gas and carbon monoxide safety.

- Help to integrate this support into their existing services so that staff and volunteers can confidently identify need, make effective referrals and help households access available schemes.
- Convene regular workshops, learning sessions and networking events for participating grassroots organisations across each GDN area.
- Create a supportive peer network where organisations can share best practice, troubleshoot challenges, and develop locally appropriate approaches to engaging residents on energy safeguarding.
- Identify organisations that have become experienced and skilled in delivering energy safeguarding support and invite them to join a structured mentor scheme. This scheme would offer advanced training and development with CPD accreditation so these mentors can provide peer support and specialist guidance to newer organisations and build formal qualifications in energy advice.

Overall, the objective of this partnership is to create a sustainable pathway for grassroots organisations to develop, deepen and share their skills in energy safeguarding, ensuring that more vulnerable households are identified early and supported to access the full range of help available.

Project design engagement

Targeting vulnerability support: This must describe how the GDN(s) identified the vulnerability need being addressed through the VCMA project, including the use of consumer research, stakeholder engagement, and data and technology.

Evidence of stakeholder and/or customer support: Information regarding all stakeholder and/or customer engagement which has contributed to the development of the VCMA Project.

Stakeholder project design input: How stakeholders were actively involved in the project design, and how their input and feedback were incorporated to shape the project design. Where stakeholders disagree about the project design, justification must be provided for why the current project design is deemed preferable.

Through experience, the GDNs have recognised grassroots organisations as a vital resource for identifying and supporting vulnerable households in need, provided the organisations receive the right support, skills, and capacity building.

Since November 2022, SGN has partnered with CSE to establish a network of 64 community organisations, demonstrating their immense value when properly equipped to deliver energy safeguarding. Over the past four years, we've collaborated closely to co-develop workshop content tailored to local needs and created practical resources that have proven effective for community engagement. We've also rigorously monitored outcomes for both customers and participating organisations, sharing this learning across networks.

In 2024 NGN went on to launch a similar initiative with CSE, which has now empowered 21 organisations in their area supporting over 7,400 households and raising awareness of the Priority Services Register to over 4,000 households.

Together, these programmes have engaged over 90 grassroots groups, reached close to 30,000 households with energy safeguarding advice, supported over 26,000 households to join the PSR, and facilitated critical gas safety and carbon monoxide awareness conversations for many more, all within communities often described as hard-to-reach or marginalised.

Organisations themselves have all reported benefits beyond the positive impacts for service users. These include:

- Improved staff knowledge and confidence: Having a trusted source of information helps teams keep up to date and tailor their advice provision. The proportion of groups with good or expert knowledge increased by 25% on average across the topics relevant to the scheme. The largest improvement in knowledge was in supporting customers to access debt advice.
- Increased staffing capacity: Staff and volunteers can now signpost to other services they did not previously know existed, freeing up time for other support. The availability of free training through the scheme also acts as an incentive for volunteer recruitment, adding organisational capacity.
- Building of partnerships and reaching new customers: The scheme has helped strengthen existing connections and make new ones. Some have found and expanded or reinvigorated with networks of local partners and that their referral process has become more reciprocal. Their client base has expanded as they become a trusted referral partner.
- Ability to secure future funding: Groups have found the embedded processes and credibility gained from delivering the scheme has enabled them to successfully apply for further funding – for example from Energy Redress.

In 2023, SGN and CSE presented the Safe and Warm Community Scheme partnership at the VCMA Annual Showcase where it was positively endorsed as an effective and innovative way to reach those most in need through local grassroot organisations.

The learning from our previous programmes has directly shaped this programme, ensuring a robust, evidence-based approach for the next two years. Together, we've systematically reviewed what has worked well through feedback from participating organisations and identified opportunities to enhance outcomes, make efficiencies, and stay true to our shared ambitions of empowering grassroots groups to safeguard vulnerable households.

Over the last four years, this iterative process of learning and adaptation has steadily built the skills and capacity of organisations in the scheme, revealing key insights, offering tiered funding levels accommodates varying reach and readiness among grassroots groups, co-designing resources with end-users ensures true inclusion and accessibility (resulting in a rich library of materials tailored by language, format, and cultural relevance), and establishing a mentorship programme not only drives efficiencies by leveraging peer support but also fosters long-term sustainability, enabling experienced organisations to deliver advanced energy advice while guiding newcomers into the network.

Why the project is being funded through the VCMA

This should include an explanation of why the VCMA project meets the VCMA eligibility criteria, and how it aligns with the GDN's VCMA collaborative strategy.

This project meets this eligibility criteria, as the project aligns with the GDNs collaborative vulnerability strategy, in which we have a clear ambition to keep our communities safe and warm, and to support those most in need by helping vulnerable households not just today but as we invest in a green energy future.

This project aligns with the following shared objectives of our collaborative vulnerability strategy:

- Empower local communities to identify and support vulnerable households with their energy safeguarding needs
- Help more vulnerable households access energy safeguarding services
- Reach communities under-served and most in need of trusted intermediaries to take up support services
- Support our customers' move towards net zero, tailored according to their needs and circumstances

How VCMA funding complements or supplements BAU activities

Where the VCMA Project is being delivered alongside a BAU vulnerability and/or CO safety activity or activities funded through the GDN's baseline allowance, the GDN must provide sufficient evidence that the VCMA Project complements or supplements the BAU activity or activities to prevent the risk of double funding.

By working with CSE the GDNs have an established a referral network into local communities, where they can either signpost or ensure a warm referral through our frontline triage and customer teams into local services.

The shared learning and insights gathered from all partners including the GDNs will improve the direct engagement into local services during gas emergencies, as well as a feedback loop for community groups when raising issues they are having that are causing barriers to services provided by utilities.

As a trusted service the partners can engage more effectively and refer eligible individuals for BAU-funded support, including carbon monoxide alarms, Locking Cooker Valves and where available Easy Assist fittings.

Outcomes, associated actions and success criteria

Details of the VCMA Project outcomes and the associated actions to achieve these, interim milestones and how the Funding Licensee will evaluate whether the project has been successful. Each action should have a proportion of the funding allocated.

CSE and the GDNs will carry out monthly reporting reviews on measurable outcomes against targets to ensure successful delivery. Quarterly reviews will provide the opportunity for more in-depth analysis and the ability to highlight insights and learnings to share, as well as identify any risks and requirement for any associated actions to mitigate these.

Outcome	Project target	Target by network		
		NGN Target 32.17%	SGN Target 41.74%	WWU Target 26.09%
Onboard new groups	54	17	23	14
Training reach	270	87	113	70
Mentor groups	12	4	5	3
Workshops	8	8	8	8
PSR registrations	5,865	1,877	2,463	1,525
CO conversations	12,075	3,885	5,040	3,150
Energy advice	14,720	4,735	6,144	3,840
Energy debt advice	5,520	1,775	2,304	1,440
Onward referrals	1,311	571	746	461

Success Criteria

Together we'll build a thriving network of community grassroots organisations supporting communities most affected by fuel poverty identified using network, community, and socio-economic data that delivers;

- A broad network of 50-60 organisations that demonstrate strong, trusted relationships with vulnerable or under-served groups.

- Comprehensive training so organisations understand fuel poverty, energy safety, and crisis identification, leading to measurable knowledge and confidence gains.
- Accessible engagement materials which equips organisations with information on energy advice, financial support, and gas and CO safety.
- Integrated energy safeguarding with existing services, enabling staff and volunteers to effectively identify needs, make referrals, and connect households to available help.
- Peer support across GDN network areas through regular attendance at workshops and networking sessions to foster collaboration and knowledge exchange
- A group of experienced organisations who can progress into a 'graduate' scheme, completing advanced training to provide more specialist support to vulnerable customers, and supporting newer participants as they start their energy advice journey.

Potential for new learning

Provide details of what the GDN(s) expect(s) to learn and how the learning will be disseminated.

The partnership with CSE has been built on a strong foundation of data, insight and the grassroot organisations experience of taking part in the programmes delivered in SGNs and NGNs regions throughout GD2 as they have helped shaped the training and ongoing mentor services provided.

The project is designed to generate learning that can inform future VCMA activity and wider vulnerability approaches, including insight into effective engagement, referral pathways and support models for grassroot organisations who are responding to the needs of vulnerable people in their communities.

As we're introducing a new 'mentor programme' we are looking to understand how grassroots organisations evolve as they progress through the structured mentor pathway and begin to operate as specialist energy-safeguarding providers. As part of the learning and evaluation framework, the partnership will explore what organisations need at each stage of development from initial training, to becoming confident frontline advisors, to ultimately graduating as community-based energy specialists. This includes examining the types of support, tools and governance structures that enable organisations to unlock sustainable funding such as Energy Redress funding, local authority funds, or partnerships with other utilities. By mapping these progression pathways, the project will help identify what long-term capacity building looks like in practice and how community organisations can secure stable resource to continue delivering energy safeguarding beyond the life of the programme.

The project will also generate valuable insight into how vulnerable and underserved communities experience the net zero transition, and where gaps in knowledge, confidence or service provision currently exist. Many grassroots organisations are already supporting communities with issues linked to digitalisation of services and changing tariffs but often without the specialist knowledge needed to guide people safely and effectively. By equipping these organisations with deeper understanding and by capturing their real-world experiences, the project will highlight where national and local net zero strategies may not yet be reaching or resonating with vulnerable groups. This learning will help shape future safeguarding approaches, ensuring that the transition to net zero does not exacerbate existing inequalities and that communities most at risk of fuel poverty are supported to participate fully and safely in the changes ahead.

Aligning with and supporting wider vulnerability approaches

Details of how the project supports or aligns with approaches to vulnerability taken by the wider energy industry, other utilities and/or consumer organisations; local, national or devolved governments; or evidence innovation or a gap in vulnerability support provision. For example, this could include evidence of collaboration beyond the VCMA, non-VCMA joint funding of the initiative, or identified gaps in the provision of vulnerability services which the project seeks to address. The GDN should show how the project fits within broader approaches to vulnerability.

The project aligns strongly with the wider direction of vulnerability strategy across the UK energy sector, local and national government, and consumer facing organisations. Its focus on community led energy safeguarding directly complements the UK's *Warm Homes Plan*, which emphasises improving public access to information, advice and support to reduce fuel poverty and help low income and vulnerable households engage with energy efficiency and safety measures. The UK energy industry and government increasingly recognise that tackling fuel poverty and safeguarding vulnerable households requires trusted, local, community-based engagement.

The proposed project mirrors these priorities by:

- Targeting households most likely to experience fuel poverty, using socioeconomic and network data to identify communities at risk an approach consistent with government commitments to support low income and vulnerable households through energy efficiency and safety schemes.
- Building local capacity, ensuring that frontline organisations can deliver energy safeguarding support in a sustainable, community embedded way. This aligns with the Warm Homes Plan's emphasis on providing accessible information, advice and support to help people navigate energy challenges.
- Supporting safe heating, gas safety and carbon monoxide awareness, which reflects the energy industry's broader safety commitments and the cross-utility focus on reducing harm for vulnerable households.
- Strengthening Priority Services Register (PSR) awareness, a shared cross-utility priority to ensure vulnerable customers receive appropriate protections.
- Creating a peer-support and mentoring model, which reflects best practice in consumer-sector vulnerability work building long-term capability rather than delivering one-off interventions.
- Grassroots organisations often lack specialist energy knowledge, despite being the most trusted point of contact for vulnerable households. This project directly addresses that gap by providing tailored training, tools and ongoing support.
- Energy safeguarding is not consistently integrated into community services, meaning early signs of energy crisis are often missed. The project's structured integration approach ensures frontline staff can identify need, make referrals and guide households to available schemes.
- There is no established pathway for community organisations to progress from basic awareness to advanced, accredited energy-advice capability. The proposed mentor scheme with CPD accreditation is a significant innovation, creating a scalable model for long-term sector capacity building.

By creating a sustainable, community-led energy safeguarding network, the project,

1. strengthens the frontline capacity needed to deliver on national fuel-poverty and safety commitments
2. complements existing industry and government schemes by improving reach, trust and local relevance
3. Builds a long-term, scalable model for vulnerability support that integrates training, peer learning, and accredited progression

4. Ensures that more households in or at risk of energy crisis are identified early and supported to access the full range of help available.

Monitoring and evaluation

Details of how the GDNs will work with their project partners to monitor the impact of the VCMA project and evaluate its effectiveness and success.

This project features co-designed success criteria underpinning its Social Return on Investment (SROI) framework, with clear reporting and insight requirements from mobilisation through to delivery.

CSE and the GDNs will continue to review monthly reports on measurable outcomes, collaborating to ensure successful delivery, while each quarter the core project team will come together to share performance insights, highlights mitigations for any underperformance, and drive opportunities for continuous improvement.

We will report annually on partnership impact, sharing broadly via collaborative and company-specific reports to showcase outcomes and key learnings. Additionally, the CO and Vulnerability Working Groups provide performance updates to the National Delivery Group and National Steering Panel, with all GDNs disseminating results through their business governance processes, including ISGs.

Scale of VCMA project and SROI calculations, including NPV

Justify the scale of the VCMA project – including the scale of the investment relative to its potential benefits. As part of this, the Funding Licensee(s) should provide the SROI calculation, including NPV. Note: The value in numbers of the SROI and NPV must be provided, rather than confirmation of positive impact.

Together as Gas Distribution Networks we worked with leading social impact research consultancy SIRIO Strategies on the development of the Industry Standard Social Value Framework and supporting GDN Rulebook. We have used that GDN Rulebook to carry out an assessment of financial and wellbeing outcomes applicable to our services for vulnerable households included in this partnership.

We've incorporated social value based on the deliverables and associated targets detailed above. Carrying out an assessment of these predicted outcomes we forecast a positive net Social Return on Investment of £5.39 for every £1 spent.

Social value measurement

Total cost*	£1,155,646.95
Total gross present value	£7,380,603.05
Net Present Value (NPV)	£6,224,956.09
SROI	£5.39

*Accounting for inflationary factors over the term of the project.

Internal governance and project management evidence

Provide a description of GDN(s) review of proposal and project sign off, with details on how the project will be managed.

Project oversight for this partnership will be led by SGN on behalf of the participating GDNs, with clear governance arrangements in place to monitor delivery, performance and risk throughout the duration of the project.

A structured contract framework will ensure that any material changes remain aligned with customer need and stakeholder expectations, safeguarding the effective and responsible use of VCMA funds.

SGN has worked closely with CSE and the other GDNs to co-design this partnership so that its ambition directly contributes to the GDN's Collaborative Vulnerability Strategy, developed through the Vulnerability Working Group and overseen by the GDN VCMA Steering Group.

The PEA has been reviewed and approved through each network's internal governance processes and formally signed off by the relevant senior leaders.

GDN	Approver (Name and Role)	Date
NGN	Eileen Bown, Director of Customer Services	14/04/26
SGN	Maureen McIntosh, Director of Customer Services	31/03/26
WWU	Rob Long - Chief Operating Officer	30/04/26

Eligibility Criteria

Eligibility Criteria	Description	Project qualifies Yes / No
Positive SROI	Have a positive, or a forecasted positive, Social Return on Investment (SROI) calculated in accordance with a model which the GDNs have developed and submitted to Ofgem including for the gas consumers funding the VCMA Project	Yes
Positive NPV	Have a positive, or a forecasted positive Net Present Value (NPV)	Yes
Support Criteria	Either: i. provide support to consumers in Vulnerable Situations and relate to Energy Safeguarding, or ii. provide support for those most at risk of being left behind in the transition to net zero, or iii. provide awareness of, and education on, the dangers of CO beyond the activities funded as business as usual (BAU) through baseline allowances, or iv. reduce the risk of harm caused by CO	Yes
Defined Outcomes	Have specific, measurable, and time-bound outcomes which align with relevant Consumer Vulnerability Strategy objectives to achieve the requirements set out in 'Support Criteria' above	Yes
Beyond Other Funding	Go beyond activities that are funded through other price control mechanism(s), including baseline allowance funding, or required through licence obligations	Yes
Support or Align	Support or align with approaches to vulnerability taken by the wider energy industry, other utilities and/or consumer organisations, and local, national and devolved government, or evidence innovation or a gap in vulnerability support provision;	Yes
No Other External Funding	Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding	Yes
BAU vulnerability and CO safety activities	Where a GDN's BAU vulnerability and CO safety activities are funded through baseline allowances, these are not suitable for funding through the VCMA. The GDN is permitted to use VCMA funds to supplement or complement its BAU activities, however, it must ensure that its reporting provides sufficient evidence to prevent double funding.	Yes

Eligibility criteria for company specific essential gas appliance servicing

Eligibility Criteria	**Description**	**Project qualifies Yes / No or N/A**
Servicing must meet the following criteria:	Either: i. A GDN has had to isolate and condemn an essential gas appliance following a supply interruption or as part of its emergency service role; or ii. A GDN or its Project Partner has identified an essential gas appliance which has not been serviced in the last 12 months in the owner-occupied home of a customer in a Vulnerable Situation where an occupier of the property suffers from a permanent or temporary health condition12 that makes them more vulnerable to health risks associated with cold homes; or iii. A GDN or its Project Partner has identified an essential gas appliance which has not been serviced in the last 12 months in a tenant-occupied home of a customer in a Vulnerable Situation where it is the tenant's responsibility to maintain the essential gas appliance, where an occupier of the property suffers from a permanent or temporary health condition that makes them more vulnerable to health risks associated with cold homes	NA
Affordability	The household cannot afford to service the essential gas appliance, as assessed against the affordability criteria set out in the VCMA governance document	NA
Funding	Sufficient funding is not available from other sources (including a social or private landlord and national, devolved, or local government funding) to fund the essential gas appliance servicing	NA

Eligibility criteria for company specific essential gas appliance repair and replacement

Eligibility Criteria	Description	Project qualifies Yes / No or N/A
Unsafe pipework and essential gas appliance repair or replacement must meet the following criteria:	Either: i. GDN has had to isolate and condemn unsafe pipework or an essential gas appliance following a supply interruption or as part of its emergency service role; or ii. A GDN or its Project Partner has had to condemn unsafe pipework, or an essential gas appliance, following an essential gas appliance service (as described in 3.19 of the VCMA governance document)	NA
Health condition	Either: i. The occupier of the property suffers from a permanent or temporary health condition that makes them more vulnerable to health risks associated with cold homes and has a household income of £31,000 or below in 2025/26 prices, adjusted for inflation using Consumer Price Index with Housing costs (CPIH) 13, or ii. the household cannot afford to service the essential gas appliance, as assessed against the affordability criteria set out in Appendix 1 of the VCMA governance document	NA
Funding	Sufficient funding is not available from other sources (including national, devolved, or local government funding) to fund the unsafe pipework or the essential gas appliance repair or replacement.	NA