

Community Energy Advice Network

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

Updated: May 2026

PEA reference: FP-SGNStH-044a



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Project registration table

Project summary	
Project title	Community Energy Advice Network
Strategic area	Fuel Poverty and Energy Affordability
Lead partner name	Community Energy Pathways
New/Updated	New
Date of PEA submission	June 2026
Project start and end date	June 2026 – May 2028
Project location	Southern England
Sectors involved (include only those involved)	Gas Distribution Network Charitable Organisation Local Authority Other (specify) Community Interest Company (CIC)
Project contact	
Name	Graeme McLarty
Contact details	Positive.impact@sgn.co.uk
Project partners and third parties involved	
Organisation name	Role
Community Energy Pathways	Lead delivery partner
Buckinghamshire Community Energy	Providing general energy advice
Social Enterprise Kent	Providing general energy advice
Reading Hydro	Providing general energy advice
Save Energy	Providing general energy advice
Low-Carbon Hub	Providing general energy advice
Kent County Council	Support engagement with traveller communities
Buckinghamshire County Council	Support engagement with traveller communities
Costs and funding	
Total cost (£k)	Redacted due to commercial sensitivity
Total VCMA funding required (£k)	£199,783
Total BAU vulnerability and CO safety activity baseline allowance funding by activity (£k)	Redacted due to commercial sensitivity

Problem(s)

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

Rising energy costs, fuel poverty and financial insecurity continue to place severe pressure on households across the UK. 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. The End Fuel Poverty coalition found that in 2025, [12.1 million households](#) were still struggling to afford their energy costs, and almost 5 million households spend more than 20% of their income on energy which classifies them as being in 'deep' fuel poverty. Money Saving Expert predicts that the conflict in the middle east will see energy bills rise from July [by an average of 12.5%](#) and continue to rise for the rest of the year.

Fuel poverty remains a significant but often less visible issue in areas such as South Kent, Buckinghamshire, Reading, and Oxfordshire, despite their location within the relatively affluent South East of England. While the South East has relatively low rates of fuel poverty ([8-9% of households in 2024](#)) it still represents a substantial number of impacted households and masks pockets of deprivation within otherwise prosperous areas. Kent has an estimated [8.8% of households in fuel poverty](#), while similar levels are observed in counties such as [Buckinghamshire and Oxfordshire](#), reflecting common challenges linked to housing stock and energy efficiency. By contrast, urban areas such as [Reading can experience slightly higher rates](#) due to housing affordability pressures and demand. Overall, fuel poverty in these areas is characterised by hidden vulnerability, where relatively high average incomes can obscure households facing difficult trade-offs between heating and other essential living costs. Whilst traditionally viewed as an affluent county, in South & East Oxford, areas such as Northfield Brook are in the top [10% most deprived areas in the UK](#), with 4 further areas in the top 20% most deprived. Areas of South Kent such as Folkstone and Hythe have [fuel poverty rates of 13.5%](#), which is significantly over the 8.6% average for the South East. 3.5% of Reading's households are classed as being deprived in 3 dimensions (Education, Housing, Employment & Health). This means that there are 2,345 households suffering from multiple forms of deprivation within the region.

Alongside the direct harms of cold homes, debt, and poor health, a further challenge is access to advice services. [Research by Portsmouth City Council](#) shows that minority ethnic groups, young people, and renters are significantly less likely to seek support, whether due to a lack of awareness or a perception that services will not help them. Underserved groups are often highly specific to local contexts, meaning [generic energy advice fails to support them](#).

Care leavers face markedly poorer life outcomes, including higher risks of homelessness and [energy debt](#). The Debt Advice Foundation identifies [inadequate guidance as a major contributor](#). Among 19–21-year-olds care leavers, [40% were not in education, employment, or training](#), in 2025 compared with 15% of their peers, [significantly increasing their chances of living in fuel poverty](#).

Gypsy, Roma, Traveller (GRT) communities experience some of the highest levels of discrimination and poverty of any ethnic group. They face elevated rates of [mental ill health and extremely low literacy levels](#). Low literacy, mistrust of authorities, and digital exclusion present major barriers to engaging with energy suppliers, [accessing support](#), or [resolving energy debt](#).

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.

Over 2 years, Community Energy Pathways (CEP) will work in collaboration with SGN to expand its existing services to meet the needs of vulnerable customers including the underserved communities identified by local delivery partners. Two separate, bespoke support packages have been developed for young adults ageing out of the care system and the GRT community.

The partnership will deliver its services through face-to-face advice, in-depth home visits, and tailored, community-specific events. CEP, in partnership with their energy advice network, has designed a programme that will reach vulnerable underserved communities. Building on learnings from previous collaborations between SGN and CEP and the knowledge of expert partners, this project aims to deliver a comprehensive energy advice service which covers ways to save energy, how to better use and optimise heating systems, manage billing or metering concerns as well as increase awareness and support on CO safety advice and access to the PSR. This will be delivered by:

- Training for a network of frontline workers on effectively working with some of society's most vulnerable groups
- Home visits for those most in need covering: Energy use and efficiency checks; Support using heating systems and smart meters
- In community workshops and energy advisory services at warm hubs, community centres, faith centres, libraries, schools and food banks
- Tailored energy advice events delivered in community spaces
- Tailored fuel poverty awareness workshops for young adults leaving the care system
- Increased access to energy advice services for vulnerable customers through access to translation services
- Tailored, in-home energy advice services for those moving on from homelessness delivered by an expert team of caseworkers
- Throughout the first year, identify and develop services for new target groups to be delivered in future projects
- Emergency crisis funds administered from the Charis shop
- The provision of warm packs for the most vulnerable customers

The partnership will deliver tailored energy safeguarding support to vulnerable households by:

- Strengthening the working relationship between CEP's advice delivery partners and using these relationships to reach vulnerable customers
- Developing fuel poverty services to reach underserved communities
- Creating and delivering training sessions which will upskill members and groups within the sector
- Creating and delivering an advice programme and associated materials to best support the specific needs of care leavers
- Creating and delivering an advice programme and associated materials to best support the specific needs of members of the GRT community
- Increasing awareness of the dangers of CO and providing CO alarms where necessary
- Providing emergency support for the most vulnerable through the distribution of fuel vouchers and warm home packs

- Increasing consumer confidence and independence, ensuring that vulnerable people are empowered through new knowledge and skills

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.

Building on the success of the GD2 project, the current programme has been co-designed with Community Energy Pathways (CEP), drawing directly on their frontline insights into the barriers households face and the types of interventions that create meaningful, lasting change. CEP has engaged with a wide cross section of stakeholders to understand the value and impact of the GD2 projects, and to understand which other underserved communities they are well placed to support in GD3.

The model has been designed for fully joined-up delivery, working in close collaboration with a wide network of local partners and frontline organisations including Buckinghamshire Community Energy, Social Enterprise Kent, Reading Hydro, Save Energy, Low-Carbon Hub, Kent County Council, and Buckinghamshire County Council who already provide vital support to residents experiencing energy challenges. These partners support the project with trusted referral pathways, and deep community reach, ensuring that households receive coordinated, high-quality support without being passed between services.

Crucially, SGN's ISG reinforces the central role of Community Energy Groups in addressing the current needs of fuel-poor households. Their local presence, trusted relationships, and understanding of what support is available across different tenures today make them indispensable. The ISG also recognises their forward-looking role, helping communities navigate the evolving landscape of energy systems, ensuring that the transition to net zero does not deepen inequalities but instead expands access to the support and technologies needed to reduce fuel poverty over the long term.

By combining targeted data analysis with community-led design, the project is shaped around real need, builds sustainable local capability, and reaches people who might otherwise continue to miss out on vital support.

The project has also been guided by principles co-developed with our Vulnerability and Carbon Monoxide Steering Group (VSG), ensuring that vulnerable households are meaningfully involved in shaping accessible, locally relevant services. The VSG's framework emphasises co-production with trusted community partners, equitable access regardless of personal circumstances, and tailoring support to local needs.

Grounded in a shared, evidence-based understanding of vulnerability, the project delivers a service that is responsive to lived experience and aligned with wider commitments to fairness, inclusion, and targeted support for those most at risk.

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 the VCMA eligibility criteria because it directly supports our Vulnerability Strategy and our overarching ambition to keep communities safe, warm, and supported, both now and as we transition toward a green, clean energy future. Our strategy places vulnerable households at the centre of our decision making, ensuring that those most in need receive meaningful, practical assistance.

The project is designed to help us deliver our Business Plan commitments, particularly two key customer pledges, the first to support at least 650,000 of the most vulnerable households over the next five years. The second, that the project has been designed to ensure it delivers meaningful outcomes and measurable value for customers and stakeholders. This includes maximising the Social Return On Investment (SROI) for every pound spent, while consistently prioritising the needs and experiences of vulnerable customers.

In addition, the project reflects the strategic priorities of our Vulnerability Strategy – an approach shared by all four gas networks – which delivers support across four core areas:

- Providing Services Beyond the Meter – direct services for vulnerable households as we go about our day-to-day operational work that extends beyond traditional gas network responsibilities
- Tackling Fuel Poverty and Energy Affordability – targeted support for customers struggling to afford energy, helping households reduce energy costs, improve efficiency, and access essential advice
- Supporting Priority Customer Groups – identifying and assisting those with heightened needs, ensuring they receive tailored and timely support
- Reducing Carbon Monoxide Harm – a data driven approach to raising awareness, improving safety, and reducing carbon monoxide risks.

By addressing these themes, the project demonstrates strong strategic alignment and delivers tangible benefits to vulnerable customers, making it a clear fit for VCMA funding.

This project forms part of the 'Tackling Fuel Poverty and Energy Affordability' theme and budget area.

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 in partnership with us, Community Energy Pathways have established a robust referral pathway to raise concerns related to key energy safeguarding services. This collaboration ensures that issues affecting vulnerable individuals, particularly those who may struggle to access or navigate utility services are identified early and directed to the appropriate support from their utility companies.

As a trusted organisation, Community Energy Pathways is well placed to engage effectively with vulnerable individuals and refer eligible people to us for BAU funded support. This includes access to carbon monoxide alarms, Locking Cooker Valves, and other measures that help maintain safety and independence in the home.

Justification for why the project should not be collaborative

This should include evidenced reasoning as to why the VCMA Project cannot, or should not, be delivered in collaboration with other GDNs. For example, this could include the unique context within a network area, or the development of an innovative pilot project.

This project has been intentionally designed as a targeted intervention within Southern England, rather than as a collaborative initiative across multiple networks. Community Energy Pathways operate primarily in South East England so has a unique and in-depth understanding of the needs, challenges, and lived experiences of households experiencing fuel poverty across the region. We have shared the scope of this project with the other GDNs as there is opportunities to extend across London, South and Eastern regions.

The project model is built on local insight, trusted relationships, and place-based delivery, rather than shared delivery across multiple Gas Distribution Network areas. Its objective is to address a clearly defined gap in support for households in, or at risk of, fuel poverty in South Kent, Buckinghamshire, Reading and Oxfordshire. As such, a broader collaborative approach would not be effective or appropriate for achieving the intended outcomes.

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.

Outcome	Project Target	Interim Milestones
Energy efficiency advice	2,300	Quarterly performance – 288
Income maximisation	2,270	Quarterly Performance – 284
Energy triage	1,800	Quarterly Performance – 225
CO safety information	1,700	Quarterly Performance – 213
CO alarm provision	200	Quarterly Performance – 25
PSR conversations	1,200	Quarterly Performance – 150
PSR registrations	300	Quarterly Performance – 38
Scams awareness	1,000	Quarterly Performance – 125
Accessing third party funding for energy efficiency measures	550	Quarterly Performance – 69
Billing support/meter readings	550	Quarterly Performance – 69
Emergency fund provision	160	Quarterly Performance – 20
Keep warm packs provision	160	Quarterly Performance – 20
Energy efficiency advice training	20	Quarterly Performance – 3
Front line worker training	20	Quarterly Performance – 3
CO Training	20	Quarterly Performance - 3

** Interim performance – averaged out and delivered with seasonal adjustments*

Success Criteria

Community Energy Pathways, in collaboration with their energy advice networks, has designed a programme that will reach vulnerable and underserved communities. During this 2-year project, CEP will support 2,300 households across South East England. These households will be provided with tailored energy safeguarding support through face-to-face advice, in-depth home visits and tailored community-specific events.

Customers supported through this project will be more confident in managing their energy usage within their homes and who to turn to if support is needed. This will prevent future fuel debt situations and improved thermal comfort in their homes.

Potential for new learning

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

This experienced partnership has been shaped by insights gathered throughout GD2. Through ongoing monitoring and collaboration, the project generated valuable learning, highlighting the key barriers customers face, the most effective engagement approaches, the outcomes achieved when consumers are supported to use energy safely, efficiently and affordably, and the importance of trusted local delivery.

A key strength of the project is the way it brings together experienced community energy organisations, charitable organisations, Community Interest Companies, and Local Authorities. This collaboration not only supports successful delivery against forecast outcomes but also creates a structured environment for sharing best practice across South East England. By working collectively, partners can compare approaches, test new ideas, and refine methods to improve equity of service provision. This shared learning will be actively disseminated to regional DNOs and local authorities, demonstrating the value of coordinated delivery and highlighting the challenges faced by marginalised communities, particularly those in GRT communities and care leavers who often struggle to access support.

At a national level, learning from the project will continue to be shared, just as it was during GD2, through contributions to wider discussions on strengthening support for vulnerable households. Outputs will be openly shared with other GDNs via the Vulnerability Working Group, the GDN National Delivery Group, and, where requested, the National Steering Panel. This ensures that insights from South London contribute to sector-wide improvements and help shape a fairer, more inclusive approach to decarbonisation.

Continued monitoring of this project will help us to better understand changing customer behaviours as the landscape evolves, ensuring we remain well-equipped to support those most at risk.

All data and insights collected through the project will be analysed and brought together into a comprehensive post project report, outlining key findings, recommendations, and the demonstrable impact of the Aftercare Service.

The final report will be published and shared with project partners, sector stakeholders, and wider audiences through inclusion in our regional stakeholder event, the VCMA Showcase and the Annual Report.

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.

This project is strongly aligned with national and local approaches to vulnerability, reflecting the principles embedded across UK energy sector frameworks that prioritise early identification, safeguarding, and continuity of supply. Its design mirrors the direction set out in Ofgem's Vulnerability Strategy and the wider cross-utility commitment to ensure that customers with additional needs receive consistent, proactive support. By working collaboratively across a range of sectors and organisations, the project contributes to a coordinated, multi utility response that strengthens protections across all essential services.

The project is also fully aligned with the national direction set by the Warm Homes Plan and the Fuel Poverty Strategy for England, both of which emphasise the importance of targeted, place-based interventions that reduce energy inequality and protect households at greatest risk. By strengthening access to advice, improving awareness of support mechanisms, and enabling earlier identification of households experiencing or approaching fuel poverty, the project directly contributes to the strategic goals of improving home energy efficiency, reducing avoidable hardship, and ensuring that vulnerable residents are not left behind in the transition to a more resilient, affordable, and low-carbon energy system.

A key area of alignment is the project's focus on improving awareness and uptake of the Priority Services Register (PSR). Embedding PSR conversations into community outreach and homebased support reflects wider utility sector priorities to strengthen safeguarding, ensure priority restoration, and improve access to communication support and extra care services.

The project also demonstrates the multiagency collaboration encouraged across national vulnerability frameworks. Working with partners such as Kent County Council, Reading Hydro, and Social Enterprise Kent, the project creates a coordinated ecosystem capable of delivering holistic, person-centred support. This approach strengthens local resilience, improves outcomes for vulnerable households, and supports the national shift from reactive crisis intervention toward prevention, behaviour change, and long-term wellbeing.

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.

Together with SGN, Community Energy Pathways will review monthly reports on measurable outcomes, working together to ensure successful delivery. Each quarter, the core project team will meet to share performance insights, highlight and mitigate any underperformance, and provide structured updates on delivery, risks and emerging outcomes.

We will ensure that there is an evidence base through audit and research that seeks to understand how effective the project is in supporting their local communities who are struggling to maintain a safe and warm home, as well as assess the before and after to better understand the impact of the services provided on the lived experience of beneficiaries.

We will continue to report annually on partnership impact, sharing broadly via our company-specific reports to showcase outcomes and key learnings and inform future delivery. Additionally, the learning will be shared

across the GDN Vulnerability working group as well as our business governance processes, including on request to our Independent Steering Group (ISG).

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 with the other 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 £10.00 for every £1 spent.

Social value measurement

Total cost*	£197,062.71
Total gross present value	£2,166,736.18
Net Present Value (NPV)	£1,969,673.46
SROI	£10.00

*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.

We have worked closely with the Community Energy Pathways to co-design this partnership so that its ambition directly contributes to our Vulnerability Strategy, developed with support from our stakeholders including through our Vulnerability and Carbon Monoxide Steering Group and overseen by our Independent Steering Group.

The PEA has been reviewed and approved through our internal governance processes and formally signed off as detailed below.

Approver (Name and Role)	Date
Kerry Potter, Head of Social Impact and Vulnerability	08/07/26
Maureen McIntosh, Director of Customer Services	13/07/26

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	N/A
Affordability	The household cannot afford to service the essential gas appliance, as assessed against the affordability criteria set out in the VCMA governance document	N/A
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	N/A

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)	N/A
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	N/A
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.	N/A