

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)
Centre for Warmth – The Rock Foundation
Community Hub Grimsby

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Gas Network Vulnerability & Carbon Monoxide Allowance (VCMA) Governance Document - Project Eligibility Criteria

Section 1 - Eligibility criteria for company-specific projects (other than condemned essential gas appliance repair and replacement)	
In order to qualify as a VCMA project, a project must:	
VCMA Eligibility Criteria	Criteria Satisfied (Yes/No)
a) Have a positive, or a forecasted positive, Social Return on Investment (SROI) and Net Present Value (NPV) including for the gas consumers funding the VCMA Project (GDNs should use a common SROI model.	Yes
b) Either: <ul style="list-style-type: none"> i. Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or ii. Provide awareness on the dangers of CO, or iii. Reduce the risk of harm caused by CO; 	Yes
c) Have defined outcomes and the associated actions to achieve these;	Yes
d) Go beyond activities that are funded through other price control mechanism(s) or required through license obligations; and	Yes
e) Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding.	Yes
Section 2 - Eligibility criteria for company-specific essential gas appliance servicing	
To qualify as a VCMA Project, essential gas appliance servicing must meet the following criteria:	
a) Either: <ul style="list-style-type: none"> 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 condition 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 	N/A

makes them more vulnerable to health risks associated with cold homes.	
b) The household cannot afford to service the essential gas appliance, which is assessed against criteria consistent with the Energy Company Obligation (ECO4) Guidance: Delivery document ¹ (see Appendix 1).	N/A
c) Sufficient funding is not available from other sources (including a social or private landlord, national, devolved, local government funding) to fund the essential gas appliance service.	N/A

Section 3 - Eligibility criteria for Collaborative VCMA Projects	
To qualify as a Collaborative VCMA project, a project must:	
a) Meet the above company-specific and boiler repair and replace (if applicable) project eligibility criteria;	N/A
b) Have the potential to benefit consumers on the participating networks; and	N/A
c) Involve two, or more, gas distribution companies.	N/A

**Gas Network Vulnerability and Carbon Monoxide Allowance (VCMA)
Governance Document - Project Registration Table 2**

Information Required	Description
Project Title	Centre for Warmth – The Rock Community Hub Ltd Grimsby
Funding GDN(s)	Cadent
New / Updated (indicate as appropriate)	New
Role of GDN(s) *For Collaborative VCMA Projects only	Not applicable - Cadent company-specific project
Date of PEA Submission	March 2024
VCMA Project Contact Name, email and Number	Name: Phil Burrows Title: Head of Customer Vulnerability Social Programme Delivery Email: Phil.m.burrows@cadentgas.com Number: 07773 545451
Total Cost (£k)	Partner costs: £107,544.00 Slow cookers costs: £2,784.00 Project management costs: £4,413.12
Total VCMA Funding Required (£k)	£114,741.12
Problem(s)	<p>The Rock Community Hub Ltd is located in Grimsby on Cadent’s East Midlands network. Grimsby’s most deprived area is East Marsh where The Rock Foundation is based. There are problems of low educational attainment, low employment, high number of lone parents and high “in work” and pensioner poverty.</p> <p>Many of the residents within Grimsby are struggling with rising living costs. Fuel, food, and energy bills have risen, and many are struggling to make ends meet. The Rock Foundation understands it is important that people know what support is available and they are supported to maximise their income. In response to this, the Rock Foundation and Cadent have identified a need to help those who are struggling financially with their key bills, such as: rent, council tax, energy, water and food. The service prioritises those people who have no one else to help and who are the most vulnerable. It is proposed that with Cadent’s funding the proposed Centre for Warmth will be able to provide those vulnerable individuals with the help and support they require.</p>
Scope and Objectives	<p>Cadent will invest VCMA funding in the The Rock Foundation Community Hub Ltd, Grimsby, to deliver a two-year Centre for Warmth project.</p> <p>The Rock Community Hub is part of The Rock Foundation. This started in 2008 to provide new and unique provision for young people and adults with learning disabilities and those who are disadvantaged and vulnerable.</p> <p>The two-year agreement replicates the previous project model in other Centres for Warmth, whereby specialist benefits advisors are employed using the VCMA. This service provided</p>

vulnerable households with essential financial support and created a very strong SROI.

The Rock Community Hub currently runs a very busy food bank with 400 + members. The Hub has recently acquired a new building and now has office space to offer an advice service. The Hub requires support from Cadent as follows:

- One advice worker who can offer advice on income maximisation, benefits, carbon monoxide (CO) awareness, energy efficiency advice and support sign-ups to the Priority Service Register (PSR).
- The advice worker will facilitate sessions to raise awareness around CO and PSR and offer free CO alarms to those who need one and cannot afford to purchase one.
- The advice worker will offer support and advice on income maximisation and applying for benefits.
- Employ one part-time staff member to assist with project delivery and running the centre.
- The hub will offer slow cooking sessions to help educate customers on healthy and more efficient ways of cooking.
- The hub will supply Cadent with a quarterly report on numbers attending all advice sessions.
- The hub enquires funding to help with running costs of the building to keep the doors open.

This project aims to reach 900 individuals over the two-year project and will be divided as below:

- 900 individuals will receive advice on income maximisation and support to claim previously unclaimed benefits.
- 900 individuals will receive advice on energy efficiency helping them to reduce their energy costs.
- 900 individuals will receive advice on the dangers of CO.
- 400 individuals will receive a free CO alarm.
- 900 individuals will receive advice on the PSR helping to keep them safe in their home and give them peace of mind in an outage.
- 400 individuals will receive support to sign up to the PSR.
- 100 individuals will receive advice and a slow cooker to help them cook more efficiently and healthier.
- 900 individuals will attend the activities and sessions which will help alleviate loneliness and isolation.

Project objectives

Cadent will measure the success of the Centre for Warmth- The Rock Community Hub Ltd against the achievement of the following objectives over the two-year project.

- To deliver income maximisation/ benefit advice to 900 individuals.
- To deliver energy efficiency advice to 900 individuals.
- To deliver CO advice to 900 individuals.
- To supply 400 individuals with a free CO alarm.
- To deliver PSR advice to 900 individuals.
- To support 400 individuals to sign up to the PSR.
- To deliver slow cooking advice to 100 individuals.

	<ul style="list-style-type: none"> • Employ a part time member of staff who is currently unemployed to assist with project delivery and running of the centre. • To generate a positive social return on investment - see the below relevant section for more details
<p>Why the Project is Being Funded Through the VCMA</p>	<p>We believe that the project meets all the Vulnerability and Carbon Monoxide Allowance eligibility criteria:</p> <p>a. Have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project:</p> <p><i>The project delivers a positive forecasted social return on investment. This is based on achieving the target reach for income maximisation, registrations to the PSR and education on carbon monoxide. More information can be found in the relevant section below.</i></p> <p>b. Either:</p> <p>i. Provide support to consumers in Vulnerable Situations and relate to energy safeguarding, or,</p> <p>ii. Provide awareness of the dangers of CO, or,</p> <p>iii. Reduce the risk of harm caused by CO.</p> <p><i>The project delivers services that meet all three elements of this criteria. For example, the specialist advisors will help households maximise their income, enabling residents to afford the cost of heating their home to an adequate level. The project will also raise awareness of the dangers of CO and promote registration to the PSR.</i></p> <p>c. Have defined outcomes and the associated actions to achieve these:</p> <p><i>Cadent and Inspire Onside Youth Zones have entered into a service agreement that will contain the project objective and actions. Further detail can also be found below.</i></p> <p>d. Go beyond activities that are funded through other price control mechanism(s) or required through licence obligations, and,</p> <p><i>This method of delivering support to customers in vulnerable situations falls outside of Cadent's BAU activities and other licence conditions.</i></p> <p>e. Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved, or local) funding,</p> <p><i>This project will be solely delivered through Cadent's VCMA funding.</i></p>
<p>Evidence of Stakeholder/Customer Support</p>	<p>Cadent conducted further research in May 2022. The aim was to assess customer/stakeholder opinion on Cadent's allocation of VCMA spend and gain insight on where we should direct VCMA funding in the future. The results of our research studies, including our Energy Diaries thought leadership programme, are</p>

	<p>available to view on the Cadent website. However, we've captured some of the key evidence below.</p> <ul style="list-style-type: none"> • 61% of stakeholders (the highest proportion by individual category) supported Cadent increasing its VCMA allocation on projects aimed at tackling fuel poverty. • Over 70% of customers are concerned about the level of their energy costs. • Very few customers understand their energy bill. • Less than 20% of customers feel as though they understand the range of support opportunities that they may be entitled to. • There is very low trust associated with energy companies. <p>This project focusses on tackling fuel poverty by offering energy/income advice to at risk households.</p> <p>Cadent work with over 40 strategic partners to continually feed into our strategic thinking and project prioritisation (in support of customers in vulnerable situations). The Centres for Warmth initiative has proven a huge success and receives excellent feedback from charities such as National Energy Action and Age UK. We use the ongoing engagement with these key partners to inform our decision making, as we have with this project.</p>
<p>Information Required</p>	<p>Description</p>
<p>Outcomes, Associated Actions and Success Criteria</p>	<p><u>Project Outcomes</u></p> <p>The VCMA project will be delivered in partnership with The Rock Foundation Community Hub Ltd and aims to support 900 individuals with home energy, PSR, income, and CO advice over two years.</p> <p>The Centre for Warmth Project aims to achieve the following outcomes:</p> <ul style="list-style-type: none"> • Provide individuals with advice on income maximisation and benefit entitlement. • Provide individuals with advice on energy efficiency. • Provide individuals with advice on CO safety. • Provide slow cooking sessions to individuals to educate them on cooking more efficiently. • Assist individuals to register on to the PSR. <p><u>Associated Actions</u></p> <p>Cadent's funding will be used to:</p> <ul style="list-style-type: none"> • Employ an advice worker to offer advice on income maximisation, benefit entitlement, energy efficiency, CO and PSR. • Keep the centre running by assisting with running costs for time spent on the project. • Host slow cooking sessions to help family's lower energy consumption by using a slow cooker instead of a conventional oven. • Host sessions on CO awareness. • Host sessions on the PSR.

	<p><u>Success criteria</u></p> <p>The success of the project will be evaluated against the meeting of the project's objectives. These objectives include:</p> <ul style="list-style-type: none"> • The project will reach 900 individuals across the course of the two-year contract. • 900 individuals will receive in-depth one-to-one advice on income maximisation advice. • 900 individuals will receive energy efficiency advice. • 100 individuals will receive support with learning how to use slow cookers as an affordable, efficient, and healthy means of cooking. • 900 individuals will receive advice on CO • 400 individuals will receive a free CO alarm. • 400 individuals will receive support to sign-up to the PSR. • 900 individuals will receive advice on the PSR. • 900 individuals will attend the sessions and activities to help alleviate loneliness and isolation • The project will employ an additional part-time staff member to aid with the running of the centre.
<p>Project Partners and Third Parties Involved</p>	<p>Cadent and The Rock Foundation Community Hub Ltd</p>
<p>Potential for New Learning</p>	<p>Every area within Cadent's network sees households suffering the same issues, fuel poverty and low-income. Cadent have learned that each area also has issues specific to them and these are dealt with differently. To help increase cross network understanding Cadent have set up a forum for the Centres for Warmth.</p> <p>Every quarter we will meet and discuss various topics, share stories, tips, and best practice but most importantly resources such as food.</p> <p>Cadent will continue to listen to our partners to try to improve the support and services where possible, through our centre for warmth partnerships to assist our most vulnerable customers.</p>
<p>Scale of VCMA Project and SROI Calculations, including NPV</p>	<p><u>Scale of VCMA Project</u> The Rock Foundation Community Hub Ltd Centre for Warmth will deliver support for a two-year period and will focus on advice for approximately 900 people.</p> <p><u>SROI Calculations</u></p> <p>The reach will be divided as below:</p> <ul style="list-style-type: none"> • 900 individuals receiving income maximisation advice = £1,545,399.00 • 900 individuals receiving energy efficiency advice = £330,993.00 • 400 individuals will receive support to sign up to the PSR = £57,556.00 • 900 individuals will receive advice on CO = £7,857.00 • 100 individuals will receive advice on slow cooking = £23,642.00 • 103 individuals will alleviate loneliness and isolation through attending sessions = £124,200.00

	<ul style="list-style-type: none"> • Employment of a part time staff member who is currently unemployed = £10,348.84 <p>Total Investment = £114,741.12</p> <p>Five-year gross present value = £2,099,995.84 One-year gross present value = £457,259.17</p> <p>Five-year social return on investment = £1,985,254.32 One-year social return on investment = £399,888.41</p> <p>SROI ratio: £1:17</p>
VCMA Project Start and End Date	Start Date: 1 st of July 2023 End Date: 31 st of June 2025
Geographical Area	The project will be delivered in Cadent's East Midlands network. Supporting the communities located in Grimsby

Gas Network Vulnerability and Carbon Monoxide Allowance (VCMA) Governance Document - PEA Control Table

In order to ensure that a VCMA project is registered in accordance with the Ofgem VCMA governance document (incl. project eligibility assessment), the below table should be completed as part of the project registration process.	
Stage 1: Sustainability and Social Purpose Team PEA Peer Review	
Date Immediate Team Peer Review Completed: 01/03/2024	Review Completed By: Lucy Nembaware
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 21/03/2024	Review Completed By: Gurvinder Dosanjh
Step 3: Director of Sustainability & Social Purpose Sign-Off: p.p. Mark Belmega	
Director of Sustainability and Social Purpose Sign-Off Date: 22/03/2024	
Step 4: Upload PEA Document to the Website & Notification Email Sent to Ofgem (vcma@ofgem.gov.uk)	
Date that PEA Document Uploaded to the Website: March 2024	
Date that Notification Email Sent to Ofgem: March 2024	