

## Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)  
*Centre for Warmth – Peoples Pantry,  
Ellesmere Port*

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Lead

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

<b>Section 1 - Eligibility criteria for company specific projects (other than condemned essential gas appliance repair and replacement)</b>	
In order to qualify as a VCMA project, a project must:	
<b>VCMA Eligibility Criteria</b>	<b>Criteria Satisfied (Yes/No)</b>
a) Have a positive, or forecasted positive Social Return on Investment (SROI), including for the gas consumers funding the VCMA project;	Yes
b) Either: <ul style="list-style-type: none"> <li>i. Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or</li> <li>ii. Provide awareness on the dangers of CO, or</li> <li>iii. Reduce the risk of harm caused by CO;</li> </ul>	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 licence 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
<b>Section 2 - Eligibility criteria for company specific essential gas appliance servicing, repair and replacement projects</b>	
In order to qualify as a VCMA project, unsafe pipework and essential gas appliance servicing, repair or replacement must meet the following criteria:	
a) A GDN has to isolate and condemn unsafe pipework or an essential gas appliance following a supply interruption or as part of its emergency service role;	N/A
b) The household cannot afford to service, repair or replace the unsafe pipework or essential gas appliance; and;	N/A
c) Sufficient funding is not available from other sources (including national, devolved or local government funding) to fund the unsafe pipework or essential gas appliance servicing, repair or replacement.	N/A
<b>Section 3 - Eligibility criteria for collaborative VCMA projects</b>	
In order 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**

<b>Information Required</b>	<b>Description</b>
<b>Project Title</b>	Peoples Pantry, Ellesmere Port Centre for Warmth
<b>Funding GDN(s)</b>	Cadent
<b>Role of GDN(s) *For Collaborative VCMA Projects only</b>	Cadent project only
<b>New/Updated</b>	New
<b>Date of PEA Submission</b>	September 2023
<b>VCMA Project Contact Name, email and Number</b>	Name: Phil Burrows Title: Head of Customer Vulnerability Social Programme Delivery Email: Phil.m.burrows@cadentgas.com Phone: 07773 545451
<b>Total Cost (£k)</b>	Centre costs: £110,000.00 Slow cookers: £3,249.00 Project Management costs: £4,529.96 Total: £117,778.96
<b>Total VCMA Funding Required (£k)</b>	£117,778.96
<b>Problem(s)</b>	<p>In the latest Index of Multiple Deprivation (IMD) Ellesmere port was ranked 2,756 out of 32,844 in England, where 1 was the most deprived and 32,844 the least.</p> <p><sup>1</sup>Wolverham is ranked in the top 10 most deprived areas in England. This equates to 18,093 residents living in poverty with 8,322 children. 10.9% of households in the region have an income of less than £15,000.</p> <p><sup>2</sup>When it comes to health, the measure of a household being classified as deprived is whether any person in the household has "general health that is bad or very bad" or is identified as disabled. In terms of housing, a household is classified as deprived if their accommodation is either overcrowded, a shared home, or has no central heating.</p> <p><sup>3</sup>In Ellesmere Port and Neston, 4,663 households live in fuel poverty.</p> <p>Fuel poverty is the condition by which a household is unable to afford to heat (or cool) their home to an adequate temperature. It is caused by low income, high fuel prices, poor energy efficiency, unaffordable housing prices, and poor quality private rental housing. More than half of homes in Cheshire West have poor energy efficiency ratings. End fuel poverty coalition campaign says that the new measures would be an 'expensive sticking plaster' if they</p>

<sup>1</sup> [www.cheshirewestandchester.gov.uk/](http://www.cheshirewestandchester.gov.uk/)

<sup>2</sup> [www.cheshire-live.co.uk](http://www.cheshire-live.co.uk)

<sup>3</sup> [/www.nea.org.uk/c](http://www.nea.org.uk/c)

	<p>were not accompanied by longer-term investment in energy efficiency and renewables.</p>
<p><b>Scope and Objectives</b></p>	<p><u>Project Scope</u></p> <p>Cadent will invest £117,778.96 of the VCMA funding into the Peoples Pantry Centre to deliver a 2-year project.</p> <p>The project aims to provide a comprehensive advice service for all individuals.</p> <p>The VCMA funding will be used for the following:</p> <ul style="list-style-type: none"> <li>• To provide advice on benefits entitlement.</li> <li>• To raise awareness of carbon monoxide (CO) and the Priority Service Register (PSR).</li> <li>• To provide energy efficiency advice.</li> <li>• To offer slow cooking classes.</li> <li>• To provide access to food through the social supermarket.</li> </ul> <p>This project aims to reach 300 Individuals over a 2-year period. This will be divided as follows:</p> <ul style="list-style-type: none"> <li>• 300 individuals will receive advice on benefits /income maximisation.</li> <li>• 300 individuals will receive advice on energy efficiency.</li> <li>• 300 individuals will receive advice on CO awareness. .</li> <li>• 300 individuals will be advised on the PSR.</li> <li>• 30 individuals will be assisted to sign up to the PSR.</li> <li>• 100 individuals will be educated on how to use a slow cooker to help lower energy usage.</li> </ul>
<p><b>Why the Project is Being Funded Through the VCMA</b></p>	<p>We believe that the project meets all of the Vulnerability and Carbon Monoxide Allowance eligibility criteria:</p> <p><b>a. Have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project:</b></p> <p><i>The project delivers a positive forecasted social return on investment. This is based on achieving the target reach for, registrations to the PSR and education on carbon monoxide and Energy efficiency. More information can be found in the relevant section below.</i></p> <p><b>b. Either:</b></p> <p><b>i. Provide support to consumers in Vulnerable Situations and relate to energy safeguarding, or,</b></p> <p><b>ii. Provide awareness of the dangers of CO, or,</b></p> <p><b>iii. Reduce the risk of harm caused by CO.</b></p> <p><i>The project delivers services that meet all three elements of this criteria. The project will also raise awareness of the dangers of CO and promote registration to the PSR and offer</i></p> <p><b>c. Have defined outcomes and the associated actions to achieve these:</b></p>

	<p><i>Cadent and The Peoples Pantry have entered into a service agreement that will contain the project objective and actions. Further detail can also be found below.</i></p> <p><b>d. Go beyond activities that are funded through other price control mechanism(s) or required through licence obligations, and,</b></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><b>e. Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding,</b></p> <p><i>This project will be solely delivered through Cadent's VCMA funding.</i></p>
<p><b>Evidence of Stakeholder/Customer Support</b></p>	<p>Cadent conducted extensive stakeholder and customer research in May 2022 following the completion of RIIO-GD2 year one. The research aimed 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.</p> <p>61% of stakeholders (the highest proportion by individual category) supported Cadent increasing its VCMA allocation on projects aimed at tackling fuel poverty.</p> <p>The Peoples Pantry Centre For Warmth project will tackle fuel poverty by offering energy/income advice to at-risk households.</p> <p>Cadent's independent Customer Engagement Group report for its RIIO-GD2 business plans contains feedback on various proposals, including Cadent's ambitions for tackling fuel poverty.</p> <p>The report supported Cadent's holistic approach to tackling fuel poverty, whereby a household is supported with a combination of services/advice.</p> <p>The Customer engagement group recognised the need for a holistic approach that supports a household with its fuel prices (FPNES), energy efficiency (advice/repair and replacement), and household income (income maximisation).</p>
<p><b>Information Required</b></p>	<p><b>Description</b></p>
<p><b>Outcomes, Associated Actions and Success Criteria</b></p>	<p>The Centre For Warmth partnership with Peoples Pantry will allow Cadent to apply a holistic approach to supporting fuel-poor households. Residents will receive a combination of services such as energy advice and benefit entitlement checks, all of which are designed to increase household income and help residents better manage their energy.</p> <p>The advice service will be funded through the VCMA to supply materials and resources to partners in an area of high deprivation fuel poverty and CO risk. The increased levels of funding, resources and materials enable the partner which is Peoples</p>

Pantry to ramp up its existing support for customers in vulnerable situations.

### Project Outcomes

The Peoples Pantry Centre for Warmth aims to achieve the following :

- Provide individuals with advice on income maximisation and benefit entitlement.
- Provide individuals with advice on energy efficiency.
- Provide individuals with advice on Carbon Monoxide safety.
- Provide free CO alarms to individuals living in vulnerable situations.
- Provide slow cooking sessions to individuals to educate them on cooking more efficiently.
- Provide individuals with advice on the PSR.
- Help individuals alleviate loneliness and isolation by providing a safe place for them to meet and interact.

### Associated Actions

Cadent's funding will be used to:

- Employ 3 part-time advice workers to offer advice on energy efficiency, CO, and PSR.
- Employ 2 experienced Advice workers to give advice on income maximisation and benefit entitlement and debt problems.
- Keep the centre running by assisting with running costs for time spent on the project.
- Host slow cooking sessions to help families to lower energy consumption by using a slow cooker instead of a conventional oven.
- Host sessions on CO awareness.
- Host sessions on the PSR.

### Success criteria

The success of the project will be evaluated against the meeting of the project's objectives. These objectives include:

1. The project will reach 300 individuals with advice across the course of the 2-year contract.
2. 300 individuals will receive in-depth 1-2-1 advice on income maximisation.
3. 300 individuals will receive energy efficiency advice.
4. 100 individuals will receive support with learning how to use slow cookers as an affordable, efficient, and healthy means of cooking.
5. 300 individuals will receive advice on CO.
6. 30 individuals will receive support to sign up to the PSR.
7. 300 individuals will receive advice on the PSR.

	8. 300 individuals will attend the sessions to help alleviate loneliness and isolation and will receive a hot meal.
<b>Project Partners and Third Parties Involved</b>	Cadent and Peoples Pantry
<b>Potential for New Learning</b>	<p>Since the project began in April 2021 Cadent has realised that every area/town seems to be suffering with the same problems. Fuel poverty, unemployment, low wages, and the cost-of-living crisis.</p> <p>Alongside these, each area is also dealing with specific issues such as domestic violence and high incidences of self-harm in children. These are dealt with by these centres as there are no alternative services available.</p> <p>Cadent has brought the centres together on a forum for them to share ideas, best practices, and resources.</p> <p>This forum has helped to forge links with the centres across Cadent's five networks, that were not previously there and this acts as a support network.</p> <p>This takes place online every six months and is proving beneficial to all the centres involved.</p>
<b>Scale of VCMA Project and SROI Calculations</b>	<p>The Peoples Pantry Centre for Warmth will deliver support for 2 years and will focus on advice for 300 customers.</p> <p>Total Investment: £117,778.96</p> <p>The total reach will be divided as below:</p> <p>300 individuals receiving income maximisation advice = £515,133.00  300 individuals receiving energy efficiency advice = £110,331.00  300 individuals will receive advice on CO = £2,619.00  30 individuals will receive support to sign up for the PSR = £4,316.70  35 individuals will alleviate loneliness and isolation through attending sessions = £42,000.00  100 individuals attending slow cooker sessions and will receive a slow cooker = £23,642.00</p> <p><b><u>SROI calculations:</u></b></p> <p>5-year gross present value= £698,041.70  1-year gross present value= £152,208.34</p> <p>5-year Social Return on Investment = £580,262.74  1-year Social Return on Investment = £93,318.86</p> <p>SROI ratio = £1:5</p>
<b>VCMA Project Start and End Date</b>	Start Date 1 <sup>st</sup> September 2023 End Date 31 <sup>st</sup> August 2025

<b>Geographical Area</b>	This project will be delivered in Cadent's Northwest Network and will benefit the residents of Ellesmere Port..
<b>Remaining Amount in the Allowance at Time of Registration</b>	Remaining funding left in the Licensee's/ Licensees' funding pot.

**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: 19/12/23	Review Completed By: Gurvinder Dosanjh
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 05/02/24	Review Completed By: Phil Burrows
Step 3: Director of Sustainability & Social Purpose Sign-Off: Mark Belmega	
Director of Sustainability and Social Purpose Sign-Off Date: 05/02/24	
Step 4: Upload PEA Document to the Website & Notification Email Sent to Ofgem ( <a href="mailto:vcma@ofgem.gov.uk">vcma@ofgem.gov.uk</a> )	
Date that PEA Document Uploaded to the Website: March 2024	
Date that Notification Email Sent to Ofgem: March 2024	