

## Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)  
*Inspire National Project*

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April 2024



## 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>
<b>a)</b> Have a positive, or forecasted positive Social Return on Investment (SROI), including for the gas consumers funding the VCMA project;	<b>Yes</b>
<b>b)</b> Either: <ul style="list-style-type: none"> <li><b>i.</b> Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or</li> <li><b>ii.</b> Provide awareness on the dangers of CO, or</li> <li><b>iii.</b> Reduce the risk of harm caused by CO;</li> </ul>	<b>Yes</b>
<b>c)</b> Have defined outcomes and the associated actions to achieve these;	<b>Yes</b>
<b>d)</b> Go beyond activities that are funded through other price control mechanism(s) or required through licence obligations; and	<b>Yes</b>
<b>e)</b> Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding.	<b>Yes</b>
<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:	
<b>a)</b> 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;	<b>N/A</b>
<b>b)</b> The household cannot afford to service, repair or replace the unsafe pipework or essential gas appliance; and;	<b>N/A</b>
<b>c)</b> 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.	<b>N/A</b>
<b>Section 3 - Eligibility criteria for collaborative VCMA projects</b>	
In order to qualify as a collaborative VCMA project, a project must:	
<b>a)</b> Meet the above company specific and boiler repair and replace (if applicable) project eligibility criteria;	<b>N/A</b>
<b>b)</b> Have the potential to benefit consumers on the participating networks; and	<b>N/A</b>
<b>c)</b> Involve two, or more, gas distribution companies.	<b>N/A</b>

**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>	Inspire National – Centre for Warmth
<b>Funding GDN(s)</b>	Cadent specific
<b>New/ Updated</b>	New
<b>Role of GDN(s) *For Collaborative VCMA Projects only</b>	Not applicable
<b>Date of PEA Submission</b>	April 2024
<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 cost: £1,078,682.00 Slow cookers: £27,840.00 Project management: £44,260.88
<b>Total VCMA Funding Required (£k)</b>	£1,150,782.88
<b>Problem(s)</b>	<p>Across England an estimated 4.2 million children are living in poverty according to statistics from 2021/2022, this equates to one in three children.<sup>1</sup></p> <p>Poverty has a huge impact on children. Many suffer from mental health issues and anxiety due to not having the same latest toys, clothes and resources as their peers. It also affects their health, living in cold homes increases breathing problems in children like asthma and bronchitis as well as slower growth and development. Many children are forced into being carers for siblings or parents and must take on part-time jobs to support the family missing out on activities with friends.</p> <p>The families of the children also usually the ones affected by debt which causes anxiety and stress and again impacts the wellbeing of the children. Financial problems also pose a risk of harm from gas and gas-related products (e.g., carbon monoxide) as appliances are not maintained and safety devices (CO alarms) are not purchased due to the restriction on finances.</p> <p>Inspire/Onside is a national charity who are determined to make sure that all young people can shine. They fund Inspire Youth Zones across England in the most deprived areas to provide facilities for children from 8-19 years old but extend this for up to age 25 years for those with complex needs. Whilst the programs focus on young people, many also provide open-access sessions for the whole family. They offer support, advice, and guidance for families facing challenges with lack of income, debt, and health problems.</p>

<sup>1</sup> [www.bigissue.com/news/social-justice/child-poverty-uk-definitions-details-causes-consequences/](http://www.bigissue.com/news/social-justice/child-poverty-uk-definitions-details-causes-consequences/)

	<p>The VCMA funding is required to expand on the pilot project in Chorley to open a further ten centres across Cadent's network. Doing this will allow Inspire to really expand its reach and ultimately help more individuals.</p>
<p><b>Scope and Objectives</b></p>	<p>Cadent will invest £1,150,782.88 of VCMA funding to deliver a two-year project in partnership Inspire Onside Youth Zones.</p> <p>The 2024-2026 agreement will replicate other Centre for Warmth models, whereby specialist advisors are employed using VCMA funding. Inspire Onside Youth Zone will start by running 10 centres in year one and expand to 11 centres in year two. The centres will provide essential information and support on carbon monoxide (CO) safety, energy efficiency advice and the priority services register (PSR).</p> <p>Inspire Onside Youth Zones would like to expand their Welfare Support Team and Community Kitchen to be able to offer ten more centres which will give individuals in these areas regular access to cooking sessions aimed at cooking meals on a budget and using as little energy as possible. This is also a way that residents can maximise their budgets and have access to healthy meals.</p> <p>The two-year project will fund as follows:</p> <ul style="list-style-type: none"> <li>• The provision of advice on energy efficiency, CO, income maximisation and support to sign up to the PSR via the following activities and events and activities.</li> <li>• Family and community days which offer sessions for the whole family on a weekly/monthly basis and provide arts, sports and play activities in a warm safe environment.</li> <li>• Come dine with me – This teaches life skills including healthy eating, managing a budget, independence.</li> <li>• Scran Van – This is a detached provision that goes out into the community to reach the communities that are contained or untrusting and will not attend a centre. Youth workers target the most deprived areas where there are high levels of anti-social behaviour to engage with youths and families to encourage them to attend family days etc.</li> <li>• Centre for Warmth – The Inspire buildings are utilised primarily for youth activities. The Centre for Warmth will use the buildings at times when they are not in use. Community groups will be invited to use the space for Knit &amp; Natter, crafts, football etc. The buildings will also be opened as a warm welcome where people can attend for food, beverages free of charge, to keep warm and meet others which helps alleviate loneliness. In the pilot Centre for Warmth in Inspire Chorley many vulnerable and socially isolated adults are making use of the activities and receiving help and support.</li> </ul> <p>Please see table below for reach of the project</p>

KPI	Total Outputs/Evidence Requirements per Individual Youth Zone				
	Year 1	Year 2 *	TOTAL		
1	Visitors/ Footfall	24,800	28,480	<b>53,280</b>	Attendances per year based on 46 weekly family days with average 80 attendees per week OR 4 x Community Days per year with average 400 attendees. Evidence via attendance sheet and/or salesforce or similar.
2	Energy Saving Advice (Face to Face)	2,630	3,020	<b>5,650</b>	Face to Face - Individuals/families receive Gas safety and Energy Saving information and advice. Advice leaflets provided by Cadent. Evidenced via QR code access/report.
3	Energy Saving Advice (Social Media Reach)	162,000	180,000	<b>342,000</b>	Social Media Reach evidenced by Meta analytics reports and website view data
4	PSR Conversations/ advice (Face to Face)	2,520	2,810	<b>5,330</b>	Face to Face -Information and advice, re Priority Services Register (PSR). Advice leaflets provided by Cadent. Evidence via QR Code access/report.
5	PSR Conversations/ advice (Social Media Reach)	95,000	107,500	<b>202,500</b>	Social Media Reach evidenced by Meta analytics reports and website view data
6	PSR Registrations across the programme	2,700	3,100	<b>5,800</b>	Face to Face - Number of Individuals/families who sign up to the Priority Services Register (PSR). Evidence via QR Code access/report.
7	CO Conversations (Face to Face)	4,400	4,950	<b>9,350</b>	Face to Face - Information and advice, Carbon Monoxide / Poisoning / Safety. Advice leaflets provided by Cadent. Evidence via QR Code access/report.
8	CO Conversations (Social Media Reach)	25,000	27,500	<b>52,500</b>	Social Media Reach evidenced by Meta analytics reports and website view data
9	CO Alarm distribution across the programme	1,800	2,000	<b>3,800</b>	CO Alarms distributed to eligible households. Receipt evidenced/ tracked by QR Code

### Project Objectives

Inspire Youth Zones Hub Centre for Warmth project has several objectives that its success will be measured against:

#### *From year one:*

- To support the individuals that use the Inspire youth zones at risk of and/or living in fuel poverty, in isolation and at risk of dangerous exposure to carbon monoxide.
- To generate a positive social return on investment - see relevant section for more information.
- To deliver a range of advice including home energy efficiency to 235,350 individuals, though the network of centre's existing provision and youth service.
- To deliver energy saving advice through a combination of face-to-face advice and social media campaigns to 164,630 individuals.
- To deliver PSR advice through a combination of face-to-face advice and social media campaigns to 97,520 individuals. Inspire will also sign-up 5,800 individuals onto the PSR.
- To deliver CO education through a combination of face-to-face advice and social media campaigns to 29,400 individuals. 1,800 CO alarms will also be distributed across the first year of the programme.

#### *From year two:*

- To deliver energy saving advice through a combination of face-to-face advice and social media campaigns to 183,020 individuals.
- To deliver PSR advice through a combination of face-to-face advice and social media campaigns to 110,310 individuals. Inspire will also sign-up 5,800 individuals onto the PSR.
- To deliver CO education through a combination of face-to-face advice and social media campaigns to 32,450 individuals. 2,000 CO alarms will also be distributed across the second year of the programme.

<p><b>Why the Project is Being Funded Through the VCMA</b></p>	<p>We believe that the project meets all 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 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>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. 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><b>c. Have defined outcomes and the associated actions to achieve these:</b></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><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 and again after year two.</p> <p>The aim of the research 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 available to view on the Cadent website. However, we've captured some of the key evidence below.</p> <ul style="list-style-type: none"> <li>• 61% of stakeholders (the highest proportion by individual category) supported Cadent increasing its VCMA allocation on projects aimed at tackling fuel poverty.</li> <li>• Over 70% of customers are concerned about the level of their energy costs.</li> <li>• Very few customers understand their energy bill.</li> <li>• Less than 20% of customers feel as though they understand the range of support opportunities that they may be entitled to.</li> <li>• There is very low trust associated with energy companies.</li> </ul>

	<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><b>Information Required</b></p>	<p><b>Description</b></p>
<p><b>Outcomes, Associated Actions and Success Criteria</b></p>	<p>The partnership with Inspire Onside Youth Zones will form part of Cadent's wider Centres for Warmth network. The Centre for Warmth project model relies on the provision of VCMA funding, materials and resource to a community centre located in an area of high deprivation, fuel poverty, and CO risk. The increased levels of funding, resource and materials enable the community centre to ramp up its existing support for individuals in vulnerable situations.</p> <p><u>Project Outcomes</u></p> <p>The Inspire Onside Youth Zones - Centre for Warmth project aims to achieve the following outcomes:</p> <ul style="list-style-type: none"> <li>• Individuals will report increased levels of household income.</li> <li>• Individuals will report an increased awareness on the dangers of CO and have a reduced risk of harm caused by CO.</li> <li>• Provide support to lonely individuals, ensuring that they can access the community centre and the services it offers.</li> <li>• Provide individuals with energy efficiency advice and CO awareness.</li> <li>• Individuals will report reduced levels of anxiety in fearing a utility outage.</li> <li>• Individuals will report an increased knowledge of cooking on a budget, healthy cooking, and use of a slow cooker to save on energy.</li> <li>• Tackle loneliness and isolation.</li> </ul> <p><u>Associated Actions</u></p> <p>The Inspire Onside Youth Zones will implement the following associated actions to deliver the project's outcomes:</p> <ul style="list-style-type: none"> <li>• Increased levels of income through working with the centre's specialist benefits advisors.</li> <li>• Specialist benefits advisors will support individuals to identify and access previously unclaimed benefits.</li> <li>• Individuals will report reduced levels of anxiety in fearing a utility outage through being assisted to register to the PSR. Centre staff will all receive an awareness on the PSR and will help eligible individuals through the registration process.</li> <li>• Individuals will report an increased awareness on the dangers of CO and have a reduced risk of harm caused by CO. This will be achieved through the centre's staff providing CO awareness conversations and distributing CO alarms to the most at-risk households.</li> <li>• Individuals will report an increased knowledge of reducing their energy usage by using a slow cooker from attending a slow cooking course at a centre.</li> <li>• Individuals will report a better awareness of energy efficiency measures.</li> <li>• Individuals will report an improvement in their mental health because of attending the centres.</li> </ul> <p><u>Success Criteria</u></p>

	<p>The success of the project will be measured against meeting the below criteria:</p> <ul style="list-style-type: none"> <li>• 15,910 individuals will receive advice on energy efficiency.</li> <li>• 10,925 individuals will receive awareness advice on CO.</li> <li>• 17,205 individuals will receive advice and education on the PSR. 5,800 will be helped to sign-up to the PSR.</li> <li>• 1,000 individuals will receive advice on slow cooking and a free slow cooker.</li> <li>• 6,127 individuals will attend group sessions to help alleviate isolation and loneliness.</li> <li>• In the final year of the project there will be 11 centres open.</li> </ul>
<p><b>Project Partners and Third Parties Involved</b></p>	<p>The main delivery partner for the project will be Inspire Youth Zone Chorley.</p> <p>Delivery Partners include:</p> <ul style="list-style-type: none"> <li>• Blackburn and Darwin Youth Zone</li> <li>• Madhlo Youth Zone (Oldham)</li> <li>• Hideout youth Zone (East Manchester)</li> <li>• Manchester Youth Zone</li> <li>• Wigan Youth Zone</li> <li>• Warrington Youth Zone</li> <li>• The Hive Youth Zone (Wirral)</li> <li>• The Way Youth Zone (Wolverhampton)</li> <li>• Uitas Youth Zone (Barnet)</li> <li>• Future Youth Zone (Barking and Dagenham)</li> <li>• Inspire Youth Zone (Chorley) (Year 2 only)</li> </ul>
<p><b>Potential for New Learning</b></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.</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 individuals.</p>
<p><b>Scale of VCMA Project and SROI Calculations</b></p>	<p><u>Scale of VCM Project</u></p> <p>Cadent will invest £1,150,782.88 in partnership with Inspire National project over two years.</p> <p>The project will support individuals with a range of services. The project will benefit individuals near the centres, and those in the wider area through the specialist benefits advisors and community outreach workers.</p> <p>We have applied a 3% retention rate to all social media reach then added to the face-to-face reach to get the total numbers below.</p> <p><u>SROI Calculations</u></p> <p><u>Five-year SROI:</u></p> <ul style="list-style-type: none"> <li>• 15,910 individuals will receive advice on energy efficiency = £5,851,220.70</li> <li>• 10,925 individuals will receive awareness advice on CO = £95,375.25</li> <li>• 5,800 individuals will be helped to register to the PSR = £247,490.80</li> </ul>



	<ul style="list-style-type: none"> <li>• 1,000 individuals will receive advice on slow cooking and a free slow cooker = £236,420.00</li> <li>• 6,127 individuals will attend group sessions to help alleviate isolation and loneliness = £7,352,400</li> </ul> <p><u>One-year SROI:</u></p> <ul style="list-style-type: none"> <li>• 7,490 individuals will receive advice on energy efficiency = £2,754,597.30</li> <li>• 5,150 individuals will receive awareness advice on CO = £44,959.50</li> <li>• 2,700 individuals will be helped to register to the PSR = £388,503.00</li> <li>• 500 individuals will receive advice on slow cooking and a free slow cooker = £118,210.00</li> <li>• 3,064 individuals will attend group sessions to help alleviate isolation and loneliness = £1,838,400.00</li> </ul> <p>Total Investment = £1,150,782.88</p> <p>Five-year gross present value = £14,369,977.95  One-year gross present value = £2,499,653.96</p> <p>Five-year net value = £13,219,195.07  One-year net value = £1,924,262.52</p> <p>SROI = £1:12</p>
<b>VCMA Project Start and End Date</b>	Start Date: April 2024 End Date: March 2026
<b>Geographical Area</b>	This project will take place across all Cadent's Network areas.

## 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: 12/01/2024	Review Completed By: Emma Stead
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 13/02/2024	Review Completed By: Gurvinder Dosanjh
Step 3: Director of Sustainability & Social Purpose Sign-Off: Mark Belmega	
Director of Sustainability and Social Purpose Sign-Off Date: 14/02/2024	
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: December 2024	
Date that Notification Email Sent to Ofgem: December 2024	