

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)

Safeguarding customers in High Rise and Multi Occupancy Buildings (MOBs)

Philip Burrows



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 forecasted positive Social Return on Investment (SROI), including for the gas consumers funding the VCMA project;	y
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; 	y
c) Have defined outcomes and the associated actions to achieve these;	y
d) Go beyond activities that are funded through other price control mechanism(s) or required through licence obligations; and	y
e) Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding.	y
Section 2 - Eligibility criteria for company specific essential gas appliance servicing, repair and replacement projects	
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

Section 3 - Eligibility criteria for collaborative VCMA projects	
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

Information Required	Description
Project Title	Safeguarding customers in high rise and multi occupancy buildings
Funding GDN(s)	Cadent
Role of GDN(s) *For Collaborative VCMA Projects only	N/A
Date of PEA Submission	03/02/2022
VCMA Project Contact Name, email and Number	Philip Burrows Phil.m.burrows@cadentgas.com 07773545451
Total Cost (£k)	£233,334 (£214,560 external, £18,774 internal Engineer cost to install the tracker in the valve)
Total VCMA Funding Required (£k)	£233,334.00
Problem(s)	<p>People living in deprived areas are often at greater risk to those that live in more affluent areas. This is a particular issue for many living in multiple occupancy buildings (MOBs).</p> <p>There are various factors that further exacerbate these issues including:</p> <p><u>Unemployment</u></p> <p>According to Labour market indicators, working-age people living in the most deprived areas are more than twice as likely to be unemployed as the national average. Furthermore, the unemployment rate in the top decile of IMD areas is 17%,</p>

	<p>compared with the English average of 8% across England (and 4% in the least deprived areas).</p> <p><u>Fuel poverty</u></p> <p>Statistics suggest that a higher percentage of people living in deprived areas experience unemployment and have a lower income as a result.</p> <p>They are more at risk of being in fuel poverty, as they may not have enough income to adequately heat their homes. They are more likely to turn their heating off or down, which in turn brings about cold, damp living conditions, increasing the risk of associated conditions like respiratory issues, high blood pressure and depression/anxiety.</p> <p><u>Debt</u></p> <p>According to the CAB, those households in the lowest income group are three times more likely to be in debt, with the value of the debt being up to six months' worth of their income. Additionally, customers who rent are twice as likely as those who have a mortgage to owe more than six months of their income.</p> <p>When we factor in unemployment, low income, drug and alcohol abuse and mental health, the chances of people being in debt are huge. These people often do not have access or believe there is a stigma to seeking advice on debt.</p> <p><u>Risk of exposure to carbon monoxide and levels of deprivation</u></p> <p>Around 30 people living in UK die from carbon monoxide poisoning each year. An additional 4,000 people attend accident and emergency each year as a result of carbon monoxide and 200 people are left hospitalised.</p> <p>Issues such as fuel poverty and high household debt can influence a customer's risk of exposure to the dangers of carbon monoxide. An unavailability of household income can mean that many customers do not have the means to regularly service their gas appliances and/or purchase audible carbon monoxide alarms.</p>
<p>Scope and Objectives</p>	<p>The scope of the project is to target all domestic MOBs (multi occupancy buildings) across the NW.</p> <p>We will provide carbon monoxide advice, offer free CO alarms (where necessary), PSR sign ups, offer energy efficiency advice or encourage referrals to</p>

	<p>the NEA one number project. [please add a weblink to that project's PEA]</p> <p>The project will also facilitate the installation of a GPS tracker in the fire isolation valves (FRV) to all the multi occupancy buildings. This will allow the valve to be easily located in the event of emergency or maintenance meaning that should we need to isolate the whole of the building for safety, we will have easy access to the valve.</p>
<p>Why the Project is Being Funded Through the VCMA</p>	<p>The project will directly provide information to customers living in vulnerable situations, raising their awareness on the dangers of carbon monoxide. Furthermore, this project will also reduce our customer's risk to exposure to harm caused by CO through the issuing of key safety messaging and the installation of CO alarms.</p> <p>The project will also provide wider support to customers living in vulnerable situations through the broader safeguarding services offered by the Cadent.</p> <p>This project will reach a potential 10616 (individual flats) customer living in vulnerable situations all living in high rise buildings and MOB. This means that every domestic MOB in our North West network will be reached through this initiative. We will also insert the GPS tracker in around 600 MOB. This project is being funded through the VCMA as per the governance document and in particular sections 2.9 a and b.</p> <p><i>a) have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project;</i></p> <p><i>b) either: i. provide support to consumers in Vulnerable Situations and relate to energy safeguarding, or</i></p> <p><i>ii. provide awareness of the dangers of CO, or</i></p> <p><i>iii. reduce the risk of harm caused by CO;</i></p> <p>The project will have a positive social return (see sections below) and will raise awareness of carbon monoxide as well as providing guidance and onward referral to customer living in vulnerable situations.</p>

<p>Evidence of Stakeholder/Customer Support</p>	<p>Cadent conducted extensive stakeholder and customer feedback in order to shape the strategy for investment of VCMA funding, particularly for projects centred around CO.</p> <p>Stakeholders from Katie Haines Memorial Trust, Groundwork, Citizens Advice, BEIS and NEA reported that general public awareness on carbon monoxide was high, and that a general understanding on the dangers of CO exists.</p> <p>However, many stakeholders reported that a knowledge gap existed in customer's understanding on the preventative measures a household can take to reduce the risk of harm caused by CO.</p> <p>Cadent also received stakeholder feedback on the importance of a cohesive approach to supporting customers and making every contact count. Stakeholders referenced historical schemes, whereby an organisation may make multiple attempted to engage a customer, each attempt around a different message/service.</p> <p>Cadent has acknowledged this stakeholder feedback and as well as offering information on CO, we will also offer customers help with more broader welfare services, including support with alleviating fuel poverty, PSR registration, hoarding issues and support for customers living with dementia. This ensures that Cadent makes every contact count.</p>
<p>Information Required</p>	<p>Description</p>
<p>Outcomes, Associated Actions and Success Criteria</p>	<p>The project will facilitate Cadent's front line engineers to offer greater support to customers living in vulnerable situations and most at risk. The support offered will include:</p> <ul style="list-style-type: none"> • Offering carbon monoxide guidance • Offering and installing CO alarms • Making onward referrals through Cadents partners for any mental health issues or hoarding • Promotion and signing up people to the PSR register • Offering energy efficiency advice • Onward referral for financial advice or debt consolidation. • Installing a GPS device in the Fire Valve to allow isolation in the event of emergency <p>Project outcomes:</p> <ul style="list-style-type: none"> • We will post leaflets promoting our services that are on offer to CIVs to all 10,616

	<p>properties in the MOB's across the NW network.</p> <ul style="list-style-type: none"> • Hold advice and drop-in sessions in the foyer of 600 MOB's reaching in excess of 10,000 customers. The sessions will give advice on the topic listed above and allow for further literature and other advice to be given. • Issue 1000 CO alarms to customers that are most at risk due to their type of appliances, financial situation or those that don't own an alarm. • Give additional support to 300 customers on debt management, switching and energy efficiency. • Sign 1000 people up to the PSR <p>Cadent will also evaluate the success of the project based on the achievement of a positive social return on investment. Although Cadent has highlighted factors that we believe will lead to a positive SROI, full evaluation at the end of the project will determine the extent of the project's social return.</p>
<p>Project Partners and Third Parties Involved</p>	<p>This will be a broadly Cadent project; however we will be employing the services of Utility Innovation Services to support the install the GPS trackers into the valve chambers as detailed above.</p>
<p>Potential for New Learning</p>	<p>This project presents Cadent with the opportunity to gather learning that may be applicable to future VCMA projects. We will be able to ascertain what is the impact to people living in MOB's and high-rise properties and are they more vulnerable and at risk than those living in "conventional housing"?</p>
<p>Scale of VCMA Project and SROI Calculations</p>	<ul style="list-style-type: none"> • We will leaflet drop all 10,616 properties in the MOB's -Based on 80% of customers reading the leaflet £5559.22 (per annum) • Hold advice and drop-in sessions in the foyer of 600 MOB's reaching in excess of 10,000 people. The sessions will give advice on the topic listed above. • Issue and install 1000CO alarms - £2181.93 (per annum) • Give additional support to 1000 customers on debt management, switching and energy efficiency. £4,286,690.00 • Sign 1000 people up to the PSR £28,778(per annum) <p>Total SROI per annum – £4,317,649.93 SROI over 5 years - £21,588,249.60</p>
<p>VCMA Project Start and End Date</p>	<p>December 2021 - June 2022</p>

Geographical Area	The project will take place across all the MOB's across the North West network.
Remaining Amount in the Allowance at Time of Registration	N/A

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 & Social Purpose Team PEA Peer Review	
Date Immediate Team Peer Review Completed: 03/03/2022	Review Completed By: Gemma Norton
Stage 2: Sustainability & Social Purpose Team Management Review	
Date Management Review Completed: 07/02/2022	Review Completed By: Philip Burrows
Step 3: Director of Sustainability & Social Purpose Sign-Off	
Director of Sustainability & Social Purpose Sign-Off Date: 08/03/2022	
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 2022	
Date that Notification Email Sent to Ofgem: March 2022	

