

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA) *Centres for Warmth – Cortonwood*

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Updated February 2024 (Will Allard)



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

<p>Section 1 - Eligibility criteria for company specific projects (other than condemned essential gas appliance repair and replacement)</p> <p>In order to qualify as a VCMA project, a project must:</p>	
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.	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 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
<p>Section 2 - Eligibility criteria for company specific essential gas appliance servicing, repair and replacement projects</p> <p>In order to qualify as a VCMA project, unsafe pipework and essential gas appliance servicing, repair or replacement must meet the following criteria:</p>	
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
<p>Section 3 - Eligibility criteria for collaborative VCMA projects</p> <p>In order to qualify as a collaborative VCMA project, a project must:</p>	
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

Information Required	Description
Project Title	Centres for Warmth – Cortonwood Comeback Community Centre
Funding GDN(s)	Cadent
New/ Updated	Updated February 2024
Role of GDN(s)*For Collaborative VCMA Projects only	Not applicable - Cadent specific project
Date of PEA Submission	Initial submission: September 2022 Updated version submission: February 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)	<p><u>Original Cost</u> Centre costs: £77,565.00 Carbon monoxide alarms: £6,504.00 Project management costs £4,391.15 Total: £88,460.15</p> <p><u>Updated February 2024</u></p> <p>The project has run for one-year and due to the success and learning outcomes, we have agreed to additional funding for additional advisors.</p> <p>We will now invest additional funding into the centre for the remainder of the project.</p> <p><u>Additional Funding</u> Centre costs: £14,784.00 Slow cooker costs: £10,690.56 Project Management costs: £1,018.98 Total: £26,493.54</p>
Total VCMA Funding Required (£k)	<p><u>Original Funding</u> £88,460.15</p> <p><u>Updated February 2024</u> £114,953.68</p>
Problem(s)	<p>Cortonwood Comeback Centre is an area located in Barnsley on Cadent's East Midlands network. Barnsley is one of the most deprived areas in South Yorkshire and the UK.</p> <p>Many of the residents within Barnsley are struggling with rising living costs. Fuel, food, and energy bills have risen, and we know many are struggling to make ends meet. Cortonwood Community Centre understands it is important that people know what support is available and they are supported to maximize their income. In response to this, Cortonwood Community Centre has approached</p>

	<p>Cadent for VCMA funding. This is to provide support for those living in the area to get help with income maximization, energy efficiency, carbon monoxide awareness/education and cooking classes. The service prioritizes those people who have no one else to help and who are the most vulnerable. Due to Cortonwood struggling with high demand. With Cadent's funding, Cortonwood could look at an expansion of this scheme in priority areas working from the proposed Centres for Warmth and doing outreach work in the communities that need support the most, such as those with higher deprivation and those that are geographically isolated.</p>
<p>Scope and Objectives</p>	<p><u>Project scope</u></p> <p>Cadent will provide Cortonwood Comeback Community Centre with £88,460.15 of VCMA funding to enable the delivery of an initial 24-month Centre for Warmth.</p> <p>The funding will be utilised by the centre to provide a range of services to local residents living in vulnerable situations.</p> <p>These services include:</p> <ul style="list-style-type: none"> • Supporting residents with a range of advice including home energy efficiency, debt management, benefit entitlement checks/applications and gas safety. • The delivery of slow cooking classes designed to promote slow cooking as an affordable, energy efficient and healthy method of feeding a family. • Signing up appropriate attendees to the Priority Service Register (PSR) as well as raising awareness. • The delivery of carbon monoxide safety (CO) advice and where appropriate alarms. • Delivery of general gas safety advice. <p>The project aims to reach approximately 4,000 people over the course of the initial 24-month project. This total reach (some people will receive more than one service) will be divided between:</p> <ul style="list-style-type: none"> • 400 income maximisation/debt support. • 1500 energy efficiency advice. • 1500 carbon monoxide awareness. • Issue 240 CO alarms. • 2000 PSR registrations. • 80 - 100 customers receiving advice on slow cooking. <p><u>Project objectives</u></p> <p>The project contains a series of objectives that success will be measured:</p> <ul style="list-style-type: none"> • To support customers across the project area living in isolation, fuel poverty, and at risk of exposure to carbon monoxide; • To deliver income maximisation/home energy efficiency advice to approximately 1,500 households; • To deliver slow cooking awareness sessions to approximately 80-100 people; • To encourage and support eligible customers to sign up to the PSR - we forecast that approximately 2,000 customers will register to the PSR through this project;

	<p><u>Update: February 2024</u></p> <p><u>Project scope</u></p> <p>Cadent will provide Cortonwood Comeback Community Centre with £114,953.68 of VCMA funding to enable the delivery of an initial 24-month Centre for Warmth.</p> <p>The funding will be utilised by the centre to provide a range of services to residents living in vulnerable situations.</p> <p>These services include:</p> <ul style="list-style-type: none"> • Supporting individuals with a range of advice including home energy efficiency, debt management, benefit entitlement checks/applications and gas safety. • The delivery of slow cooking classes designed to promote slow cooking as an affordable, energy efficient and healthy method of feeding a family. • Signing up appropriate attendees to the PSR as well as raising awareness. • The delivery of carbon monoxide safety advice and where appropriate alarms. • Delivery of general gas safety advice. <p><u>Project objectives</u></p> <p>The project contains a series of objectives that success will be measured:</p> <ul style="list-style-type: none"> • 410 individuals will receive income maximisation/debt support. • 1,525 individuals will receive energy efficiency advice. • 1,550 individuals will receive CO awareness and general gas safety advice. • 270 individuals will receive CO alarms. • 80-100 individuals receiving advice on slow cooking. • 2,025 individuals will receive support on how to sign-up to the PSR. • 384 individuals will receive a slow cooker.
<p>Why the Project is Being Funded Through the VCMA</p>	<p>Cadent believe that this project meets all the required VCMA eligibility criteria.</p> <p>a. The project is forecasted to have a positive SROI. Please see the relevant section for more information.</p> <p><i>We believe this project has the deliverables necessary to create a positive social return on investment - see the below section for more details.</i></p> <p>b. The project will either:</p> <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 <p><i>The project will provide support to customers living in vulnerable situations through energy efficiency</i></p>

	<p><i>advice/income maximisation. The project will also offer customers education on the dangers of CO and issue audible alarms to particularly at-risk households.</i></p> <p>c. The project has defined outcomes and the associated actions to achieve them.</p> <p><i>This project has clearly defined outcomes and associated outcomes, the meeting of which will quantify success. Further information on the project's outcomes and associated actions can be found in the relevant section below.</i></p> <p>d. The project goes beyond the activities funded through other price control mechanisms or required by licence obligations.</p> <p><i>The method of delivering support to customers living in venerable situations is innovative, as it utilises partnerships with key community stakeholders. This will allow Cadent to distribute essential advice to one of a customer group that has been historically difficult to engage.</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 delivered solely through Cadent's VCMA funding.</i></p>
<p>Evidence of Stakeholder/Customer Support</p>	<p>Cadent conducted extensive stakeholder and customer research in May 2022 following the completion of RII0-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"> • 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>The Cortonwood Comeback Community Centre for Warmth project focusses on tackling fuel poverty by offering energy/income advice to at risk households.</p> <p>Cadent's ¹independent Customer Engagement Group report for its RIIO-2 business plans contains feedback on a variety of 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>The Centre for Warmth partnership with Cortonwood Comeback Community centre will allow Cadent to apply a holistic approach to supporting fuel poor households. Individuals 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 individuals better manage their energy.</p> <p>Cadent sought feedback from national rural communities' charity ACRE on our proposals, particularly how we ensure that rural and semi-rural communities stand to receive benefit from Cadent's management of the VCMA.</p> <p>ACRE supported Cadent's strategy of using projects that promote togetherness in rural and semi-rural communities. The charity also supported Cadent's strategy of tackling isolation, fuel poverty and promoting awareness of carbon monoxide, recognising these as important issues in communities.</p> <p>Although parts of Barnsley are urban, many Cortonwood Comeback Community Centre clients live in surrounding rural/semi-rural communities; some which suffer from a lack of employment opportunities, expensive fuel (e.g., LPG/oil etc.), and poor transport infrastructure. The Centre for Warmth project will support rural/semi-rural households by maximising their income and helping them to better manage their home energy.</p> <p><u>Updated February 2024:</u></p> <p>Due to feedback from the Cortonwood Comeback Centre there has been a need identified that extra funding will allow them to extend the services that they offer. By doing this Cortonwood comeback community centre will be able to extend their reach and in term increase Cadent's social return on investment.</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 Cortonwood Comeback Community Centre and aims to support 1500 residents</p>

¹ <https://cadentgas.com/nggdwsdev/media/Downloads/business-plan/Cadent-CEG-report-with-appendices.pdf>

with energy/safety/loneliness issues across an initial 24-month project period.

The Cortonwood Comeback Community Centre for Warmth project aims to achieve the following outcomes:

- Provide support and advice to customers on numerous topics including benefit entitlement checks, homelessness, energy advice, income maximisation and mental health support.
- Provide slow cooking classes to local residents to promote the potential affordability, efficiency, and health benefits.
- Provide support to lonely local residents, ensuring that they can access the community centre and the services it offers.
- Provide residents with energy efficiency advice and carbon monoxide awareness and general gas safety.

Associated actions

- Cadent's funding will be principally used to employ and train two community advisors. The advisors will have the skills to provide services aimed at tackling fuel poverty, provide support on energy efficiency measures, assist with debt consolidation, and deliver benefit entitlement checks. The advisors will also be skilled at providing awareness on the dangers, signs and symptoms of CO, and facilitating community activities that support lonely and isolated residents.
- Cortonwood Comeback Community centre will deliver slow cooking classes which promote affordable, healthy, and efficient cooking. Slow cookers will then be provided free of charge to those who attended the classes.
- Cadent will provide funding for the additional staff members, cooking classes and ingredients as well as providing slow cookers and CO alarms

Success criteria

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

- The project will reach 1500 individuals across the course of the initial 12 months. Individuals will be engaged through a variety of methods including: 1-2-1 sessions, home visits, or community centre drop-in clinics;
- 80 - 100 individuals will receive support with learning how to use slow cookers as an affordable, efficient, and healthy means of cooking;
- Approximately 2,000 individuals will sign-up to the PSR;

As well as aiming to reach a target number of individuals, Cadent and Cortonwood Comeback Community Centre will review the qualitative benefits/indicators of the project as part of the final evaluation.

Meeting of the below indicators will help Cadent determine the success of the project:

- Individuals will realise increases in household income through ensuring that they are claiming the benefits that they are entitled to;
- Homeless local residents are supported with financial, wellbeing and safety advice;
- Individuals will report a decrease in anxiety and stress due to receiving support with home energy, financial and wider issues;
- Individuals will be able to utilise slow cooking to make affordable and healthy meals whilst reducing their energy and food bills;
- Isolated members of the community will report an improvement in mental wellbeing through experiencing lower feelings of loneliness;
- Individuals will report an increased awareness of the dangers of carbon monoxide and an increased feeling of safety at home;

Update: February 2024

Project outcomes

The VCMA project will be delivered in partnership with Cortonwood Comeback Community Centre and aims to support with energy/safety/loneliness issues across an initial 24-month project period.

The Cortonwood Comeback Community Centre for Warmth project aims to achieve the following outcomes:

- Provide support and advice to individuals on numerous topics including benefit entitlement checks, homelessness, energy advice, income maximisation and mental health support.
- Provide slow cooking classes and slow cookers to residents to promote the potential affordability, efficiency, and health benefits.
- Provide support to lonely residents, ensuring that they can access the community centre and the services it offers.
- Provide individuals with energy efficiency advice, CO and general gas safety.
- Raise awareness of the PSR and support with registering.

Associated actions

- Cadent's funding will be principally used to employ and train two community advisors. The advisors will have the skills to provide services aimed at tackling fuel poverty, provide support on energy efficiency measures, assist with debt consolidation, and deliver benefit entitlement checks. The advisors will also be skilled at providing awareness on the dangers, signs, and symptoms of CO, and facilitating community activities that support lonely and isolated residents.
- Cortonwood Comeback Community centre will deliver slow cooking classes which promote affordable, healthy, and efficient cooking. Slow cookers will then be provided free of charge to those who attended the classes.

	<ul style="list-style-type: none"> • Cadent will provide funding for the additional staff members, cooking classes as well as providing slow cookers and CO alarms. <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"> • A variety of methods including one-to-one sessions, home visits, or community centre drop-in clinics. • 384 residents will receive support with learning how to use slow cookers as an affordable, efficient, and healthy means of cooking. • 2,025 people will sign-up to the PSR. <p>As well as aiming to reach a target number of individuals, Cadent and Cortonwood Comeback Community Centre will review the qualitative benefits/indicators of the project as part of the final evaluation.</p> <p>Meeting of the below indicators will help Cadent determine the success of the project:</p> <ul style="list-style-type: none"> • Individuals will receive increases in household income through ensuring that they are claiming the benefits that they are entitled to. • Homeless residents are supported with financial, wellbeing and safety advice. • Individuals will report a decrease in anxiety and stress due to receiving support with home energy, financial and wider issues. • Individuals will be able to utilise slow cooking to make affordable and healthy meals whilst reducing their energy and food bills. • Isolated members of the community will report an improvement in mental wellbeing through experiencing lower feelings of loneliness. • Individuals will report an increased awareness of the dangers of carbon monoxide and an increased feeling of safety at home.
<p>Project Partners and Third Parties Involved</p>	<p>Cortonwood Comeback Community Centre</p>
<p>Potential for New Learning</p>	<p>The Cortonwood Comeback Community Centre for Warmth project offers many potential areas of learning that Cadent can adopt for other VCMA-funded projects in RIIO-2.</p> <p>One of the main rationales behind funding the project is the number of residents living in vulnerable situations and fuel poverty. The centres also focus on supporting isolated members of the community, an area where previous Cadent projects had not directly focused on. This project will combine the VCMA-focussed services of CO education and energy efficiency advice, with activities that support the mental wellbeing of lonely residents. This will provide Cadent with learning on the effectiveness of combining both types of support and the best method(s) of delivering it.</p> <p>When assessing options for VCMA projects, we considered the effectiveness of directly engaging with end customers (rather than</p>

	<p>using a project partner). This project will provide insight on the effectiveness of working with community stakeholders such as Cortonwood Comeback Community centre. We believe that these stakeholders are trusted members of communities, and Cadent's partnerships with them allow us to engage previously difficult to reach customers with VCMA-funded services. The partnership with Cortonwood Comeback Community Centre will also provide Cadent with learning on customers receptiveness to support from Gas Distribution Networks in the midst of an energy crisis. Some customers may be unaware of the industry's structure between suppliers, shippers and GDNs; and the project will offer good learning on customer's attitudes towards support offered by energy companies.</p> <p><u>Updated February 2024:</u></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 has 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 customers.</p>
<p>Scale of VCMA Project and SROI Calculations</p>	<p><u>Scale of VCMA project</u></p> <p>The Cortonwood Comeback Community Centre for Warmth project will deliver support for an initial 24-month duration. The project will focus on the provision of advice to approximately 4,000 individuals.</p> <p>Social return on investment calculations</p> <ul style="list-style-type: none"> • 400 income maximisation/debt support • 1500 energy efficiency advice • 1500 carbon monoxide awareness. • 2,000 PSR sign ups • 80 - 100 customers receiving advice on slow cooking and a slow cooker. • Issue 240 CO alarms. • Forecasted 5-year social return on investment gross = £2,054,150.10 • Investment = £88,460.15 • Forecasted 5 year social return net £1,965,689.95 • Forecasted 5-year gross present value from the issuing energy advice = £1,050,150 • Forecasted 5-year gross present value from income maximisation = £686,844 • Forecasted 5-year gross present value from providing customers with CO awareness = £29,456.10

	<ul style="list-style-type: none"> • Forecasted 5 year gross present value from registering customers to the PSR = £287,700 • SROI Ratio: £1:22 <p><u>Updated: February 2024</u></p> <p><u>SROI Summary</u></p> <p>The Cortonwood Comeback Community Centre for Warmth project will deliver support for an initial 24-month duration. The project will focus on the provision of advice to 5,640 customers.</p> <p>Total Investment: £114,953.68</p> <p>The reach will be divided as below:</p> <ul style="list-style-type: none"> • 410 Income maximisation/debt support = £704,015.10 • 1,525 Energy efficiency advice = £560,849.25 • 1,550 Carbon monoxide awareness and general gas safety advice = £13,531.50 • 2,025 PSR registrations = £291,377.25 • 384 customers receiving advice on slow cooking and a slow cooker = • Tackling loneliness and isolation = £772,800.00 (half the amount of people for year one) <p>Five-year gross present value = £2,438,158.38 One-year gross present value = £720,911.68</p> <p>Five-year net value = £2,323,204.70 One-year net value = £663,434.84</p> <p>SROI Ratio: £1:21</p>
<p>VCMA Project Start and End Date</p>	<p>Project start date: 01/09/2022 Project completion date: 31/08/2024</p>
<p>Geographical Area</p>	<p>The project will be delivered to communities in and around the Barnsley area of our East Midlands network.</p>

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 Peer Review	
Date Immediate Team Peer Review Completed: 04/10/2022	Review Completed By: Gemma Norton
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 25/07/2022	Review Completed By: Philip Burrows
Step 3: Director of Sustainability and Social Purpose Sign-Off: Mark Belmega	
Director of Sustainability and Social Purpose Sign-Off Date:09/11/22	
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: November 2022	
Date that Notification Email Sent to Ofgem: November 2022	