

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)

Broomhall Community Centre – Centre for Warmth

Amanda Jones – Safeguarding and Community Partnership lead



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;	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
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;	Not Applicable
b) The household cannot afford to service, repair or replace the unsafe pipework or essential gas appliance; and;	Not Applicable
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.	Not Applicable
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;	Not Applicable
b) Have the potential to benefit consumers on the participating networks; and	Not Applicable
c) Involve two, or more, gas distribution companies.	Not Applicable

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

Information Required	Description
Project Title	Broomhall Community Centre – Centre for Warmth
Funding GDN(s)	Cadent
Role of GDN(s) *For Collaborative VCMA Projects only	Not Applicable – Cadent company specific project.
Date of PEA Submission	July 2023
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)	Centre costs = £102,888.00 Slow cookers = 100 x Large £27.84 = £2,784.00 Project management Costs = £4,226.88
Total VCMA Funding Required (£k)	£109,898.88
Problem(s)	<p>¹Broomhall and Sharrow Vale have a population of 24,835 and is the 23rd most deprived ward in Sheffield.</p> <p>The Broomhall Centre is based in Sheffield and located a few miles away from Stannington where there was a major water ingress incident in December 2022, which left many people without gas. Cadent wanted to partner with a centre close to this incident in order to help the local community and leave the community in a better position than before the incident.</p> <p>There is a high rate of fuel poverty across the area. Broomhall has over 4,000 private rented properties and many of these have a low EPC rating and are cold and damp. We know that housing quality has a significant and material impact on health and wellbeing.</p> <p>Each year, the NHS spends an estimated £1.4 billion annually on treating illness associated with living in cold or damp housing. When wider societal costs are considered, such as healthcare, that figure rises to £15.4 billion.</p> <p>Where there is a high proportion of households living in fuel poverty, usually we find high levels of (often unmanageable) debt. This is true for this region, and this financial challenge brings increased risk of gas safety issues, in particular carbon monoxide poisoning, with appliances being neglected, safety measures not installed and no regular servicing plans in place.</p>
Scope and Objectives	<p>Cadent will provide the Broomhall Centre with £109,898.88 of VCMA funding to deliver a two-year project.</p> <p>The two-year 2023-2025 agreement replicates the previous project model in other Centres for Warmth, whereby specialist advisors are employed using the VCMA.</p>

¹ www.sheffield.gov.uk

	<p>This service provides vulnerable households with essential financial support and also created a very strong SROI.</p> <p>The centre will offer essential advice and information on carbon monoxide safety and the priority services register.</p> <p>2 x 2-hour sessions = Citizens Advice will set up a Community Access portal in Broomhall Centre. Customers will be able to book an appointment to speak privately via the portal, to an experienced CA worker on issues such as benefits, debt and housing.</p> <p>1 x Support Worker = This person will manage the portal appointments. They will also be trained on CO, PSR and energy efficiency.</p> <p>Other services available at the centre will include:</p> <ul style="list-style-type: none"> • Broomhall Centre hosts a foodbank serving around 40 families. • Women’s Health & Wellbeing Sessions. • Employment advice session. • Zumba. • Homework Club. • English conversation. <p>Customers attending all the above will have access to the Portal and will engage with the support worker regarding CO, PSR and energy efficiency.</p> <p>The project aims to reach 525 customers over the course of the initial 2-year project. The total reach will be divided as below:</p> <ul style="list-style-type: none"> • 525 customers will access advice on debt, benefits and housing on the Citizens Advice Community Portal. • 525 customers will receive advice on energy efficiency. • 525 customers will receive advice on CO. • 300 customers will receive a free CO alarm. • 525 customers will receive advice on the PSR. • 52 customers will receive support to register to the PSR. • 525 customers will alleviate loneliness and isolation by attending the centre activities. • 100 customers will receive advice on slow cooking. <p><u>Project Objectives</u></p> <p>Cadent will measure the success of the Centre for Warmth – The Broomhall Centre against the achievement of the following objectives:</p> <ul style="list-style-type: none"> • To deliver income maximisation/benefits advice to 525 customers over 2 years • To provide energy efficiency advice to 525 customers. • To deliver Carbon monoxide safety advice to 525 customers. • Provide 300 alarms to vulnerable customers. • To raise awareness of the PSR to 525 customers. • To support 52 people to sign onto the PSR. • To facilitate 100 customers with slow cooker advice. • To alleviate loneliness and isolation for 525 customers. • 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 of 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>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.</p> <p>b. 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 of the dangers of CO, or, iii. Reduce the risk of harm caused by CO; <p>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.</p> <p>c. Have defined outcomes and the associated actions to achieve these:</p> <p>Cadent and The Broomhall Centre have entered into a service agreement that will contain the project objective and actions. Further detail can also be found below.</p> <p>d. Go beyond activities that are funded through other price control mechanism(s) or required through licence obligations, and,</p> <p>This method of delivering support to customers in vulnerable situations falls outside of Cadent's BAU activities and other licence conditions.</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>This project will be solely delivered through Cadent's VCMA funding.</p>
<p>Evidence of Stakeholder/Customer Support</p>	<p>Cadent conducted extensive stakeholder and customer engagement to obtain feedback on its RIIO-GD2 business plans and subsequent Vulnerability and Carbon Monoxide Allowance (VCMA) delivery.</p> <p>This year, we conducted our "Energy Diaries" campaign; a piece of research aimed at gauging the customer's attitudes towards the rises in energy prices, as well as the support offered by organisations such as Cadent. The Energy Diaries demonstrated that customers continue to support the key measures that we identified when developing our RIIO-2 plan, with a heightened requirement to support people with the cost-of-living crisis.</p> <p>The Centre for Warmth – Broomhall partnership recognises this feedback by offering vulnerable households essential support with income maximisation and energy efficiency services.</p> <p>In addition to this, we regularly seek to obtain the feedback of stakeholders such as Citizens Advice and National Energy Action (NEA) in order to understand the needs of customers in vulnerable situations. These regular conversations allow Cadent to gain feedback on the initiatives we are or should be supporting, and ensure that the projects are in the best interests of our customers. Stakeholders have provided consistent feedback on the need for energy networks to focus their funding on supporting households most impacted by the cost-of-living crisis.</p>

	This project takes this feedback into account by creating a partnership with a trusted local charity, positioned in an area with levels of deprivation and fuel poverty significantly higher than the national average.
Information Required	Description
Outcomes, Associated Actions and Success Criteria	<p>The partnership with the Broomhall Centre 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 carbon monoxide risk. The increased levels of funding, resource and materials enable the community centre to ramp up its existing support for customers in vulnerable situations.</p> <p><u>Project Outcomes</u></p> <p>The Broomhall Centre - Centre for Warmth Project aims to achieve the following outcomes:</p> <ul style="list-style-type: none"> • Individuals will report increased levels of household income. • Individuals will report an increased awareness on the dangers of carbon monoxide (CO) and have a reduced risk of harm caused by CO. • Provide support to lonely local residents, ensuring that they can access the community centre and the services it offers. • Provide individuals with energy efficiency advice and carbon monoxide awareness. • Individuals will report reduced levels of anxiety in fearing a utility outage. <p><u>Associated Actions</u></p> <p>The Broomhall Centre will implement the following associated actions to deliver the project's outcomes:</p> <ul style="list-style-type: none"> • Individuals will report increased levels of household income through working with the Citizens Advice advisors. The specialist advisors will support households to identify and access previously unclaimed benefits. • Individuals will report reduced levels of anxiety in fearing a utility outage through being assisted to register to the Priority Services Register (PSR). Centre staff will all receive an awareness on the PSR and will help eligible households through the registration process. • Clients will report an increased awareness on the dangers of carbon monoxide (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. <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"> • The project will reach 525 customers across the course of the 2 years. • 525 households will receive specialist advice on identifying and accessing previously unclaimed benefits.

	<ul style="list-style-type: none"> • 525 households will receive help and support on energy efficiency. • 525 individuals will receive an awareness conversation on the dangers of CO. 300 of the most at-risk households will also receive a CO alarm. • 525 households will improve their awareness of the PSR and 52 eligible households will also be supported to register. • 100 customers will receive a free slow cooker and advice. • 525 customers will alleviate loneliness by attending sessions at the centre. 																																
Project Partners and Third Parties Involved	Cadent and The Broomhall Centre.																																
Potential for New Learning	<p>When the Centre for Warmth project began the financial climate was very different and funding was readily available from many sources. With the onset of Covid, war in Ukraine and the cost-of-living crisis all factor into an increased demand for services, Community centres have become a lifeline for people living in surrounding communities.</p> <p>The centres are being asked to help with many different aspects such as benefit entitlement, housing problems and debt to name but a few.</p> <p>We have realised that by partnering with these centres, Cadent are in a better position to reach many more vulnerable customers than we would alone. The reason for this is because the people who work in the centres are trusted by the community.</p> <p>We will continue to listen and learn from their findings to support our customers.</p>																																
Scale of VCMA Project and SROI Calculations	<p><u>Scale of VCMA Project</u></p> <p>Cadent will invest £109,898.88 in partnership with The Broomhall Centre over 2 years.</p> <p>This VCMA project will be delivered across a two-year partnership with Broomhall Centre. The project will support 525 households with a range of services.</p> <p>The project will benefit households in close proximity to the community centre, and those in the wider area through the specialist advisors and community support worker.</p> <p>Total investment = £109,898.88</p> <p><u>SROI calculations:</u></p> <table border="1" data-bbox="475 1693 1533 1899"> <thead> <tr> <th>Initiative</th> <th>Overall Gross Present Value (5 Year)</th> <th>Quantity of Customers Support</th> <th>Total SROI for 5 years</th> </tr> </thead> <tbody> <tr> <td>Income Maximisation Services</td> <td>£1,717.11</td> <td>525</td> <td>£901,482.75</td> </tr> <tr> <td>Efficient Use of Appliances & Behaviours</td> <td>£367.77</td> <td>525</td> <td>£193,079.25</td> </tr> <tr> <td>Priority Services Register</td> <td>£143.89</td> <td>52</td> <td>£7,482.28</td> </tr> <tr> <td>CO Education</td> <td>£8.73</td> <td>525</td> <td>£4,583.25</td> </tr> <tr> <td>Providing a slow cooker</td> <td>£236.42</td> <td>100</td> <td>£23,642.00</td> </tr> <tr> <td>Loneliness and Isolation</td> <td>£1,200 for 2 years</td> <td>525</td> <td>£72,480.00</td> </tr> <tr> <td>Totals</td> <td></td> <td></td> <td>£1,202,749.53</td> </tr> </tbody> </table>	Initiative	Overall Gross Present Value (5 Year)	Quantity of Customers Support	Total SROI for 5 years	Income Maximisation Services	£1,717.11	525	£901,482.75	Efficient Use of Appliances & Behaviours	£367.77	525	£193,079.25	Priority Services Register	£143.89	52	£7,482.28	CO Education	£8.73	525	£4,583.25	Providing a slow cooker	£236.42	100	£23,642.00	Loneliness and Isolation	£1,200 for 2 years	525	£72,480.00	Totals			£1,202,749.53
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Total Investment (5 year):	£109,898.88
Investment 1 year costs:	£21,979.78
SROI Calculations:	
5 year Gross:	£1,202,749.53
1 year Gross	£226,053.91
5 year Net:	£1,092,850.65
1 year Net:	£204,074.13

Ratio : 1:10

Supporting households to maximise their income

Cadent worked with SIA Partners to evaluate the average 5-year gross present value of supporting households to maximise their income. SIA Partner's based their analysis on the "actual" data from a 3-month project between Cadent and NEA, and historic data from NEA over the past 3 years. SIA Partners calculated an average 5-year gross present value of supporting households to maximise their income of £1,717.11.

Educating customers on the dangers of carbon monoxide

Cadent also employed SIA Partners to evaluate the forecasted social return on investment of several RIIO-GD2 business plan elements. These elements included CO education, CO alarm distribution and the repair/replacement of gas appliances.

SIA Partners pointed to a number of factors that influenced the social value generated by educating customers on the dangers of carbon monoxide:

- A reduction in A&E visits linked to CO;
- A reduction in long term hospitalisations linked to CO;
- A reduction in deaths caused by CO;
- A reduction in time of work due to injury caused by CO;
- A reduction in ambulance call outs linked to CO;

SIA Partners calculated the average 5-year gross present value of a CO educational conversation to be £8.73 - this is based on a 1-2-1 conversation with an 80% retention rate.

Supporting households to register to the Priority Services Register

Cadent worked with SIA Partners to evaluate the average 5-year gross present value of supporting households to register to the PSR. SIA Partners based their analysis on the DNO proxy bank value for an avoided stress management course.

They evaluated an average 5-year gross present value of £143.89 for a single PSR registration.

The Cost of Loneliness

The Centre for Warmth project will reach customers living in urban areas of Cadent's network.

²BBC report found that 46% of England's urban population are aged 65 or over.

³One-fourth of the population aged 65 years and older reported feelings of loneliness.

⁴Social Psychiatry and Psychiatric Epidemiology reported a net present value of £6,000 for people who reported being lonely most of the time. This figure was across a 10-year period and equates to £600 per annum. This research concluded that older people who feel lonely are at greater risk of developing conditions such as dementia and depression.

⁵The health foundation reported that 21% of older people who live alone, or face feelings of loneliness visit their GP at least once a month. This places pressure on front-line services since many people who experience loneliness think of their GP as someone they can relate to and who will listen to them, engaging in an open, friendly dialogue.

The Centres for Warmth project aims to reach 525 customers. 46% of which will be aged 65 and over.

⁶Campaign to end loneliness reported that over 700,000 people aged 65 and over are experiencing feelings of loneliness. 46% of this age group lives in urban areas which equates to 322,000 people.

Social Psychiatry and Psychiatric Epidemiology research suggest a potential saving of £600 per annum for each older customer supported that was previously experiencing feelings of loneliness.

The Centre for Warmth project will run for 2 years, equating to a saving of £1,200 per customer.

This equates to an overall benefit of £72,480.00 for 2x year only as the risk of experiencing loneliness and isolation can increase again after the project stops delivering support.

1. 525 people using centre
2. 46% of the population are over 65 = 241.5 people
3. 25% of 690 people are lonely with health conditions = 60.4 people

60.4 people x £1200 (£600 per annum) = £72,480.00

² <https://www.bbc.co.uk/news/uk-43316697>

³ <https://www.cdc.gov/aging/publications/features/lonely-older-adults.html#:~:text=Older%20adults%20are%20at%20increased,the%20amount%20of%20social%20contact>

⁴ <https://link.springer.com/content/pdf/10.1007/s00127-019-01733-7.pdf>

⁵ <https://www.health.org.uk/news-and-comment/news/older-people-living-alone-are-50-more-likely-to-visit-ae-than-those-who-live-with>

⁶ <https://campaigntoendloneliness.org/guidance/wp-content/uploads/2015/06/StatisticsGFLA.pdf>

VCMA Project Start and End Date	Start Date: 1st July 2023 End date: 31 st July 2025
Geographical Area	The project will be delivered in Cadent's East Midlands network. Supporting the communities located in Sheffield.
Remaining Amount in the Allowance at Time of Registration	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: 12/10/2023.	Review Completed By: Kerry Doyle
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 12/10/2023	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: 20/11/2023	
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 2023	
Date that Notification Email Sent to Ofgem: November 2023	