

a

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA) Fixed Warm Hubs Project

Edward Allard - Customer Vulnerability Manager
November 2021

Updated March 2024 (Emma Turnbull)



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;	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	Fixed Warm Hubs Project
Funding GDN(s)	Cadent - West Midlands Network
New/Updated	Updated March 2024
Role of GDN(s) *For Collaborative VCMA Projects only	Not applicable - Cadent-specific project
Date of PEA Submission	Initial submission: November 2021 Update version submission: March 2024
VCMA Project Contact Name, email and Number	Name: Phil Burrows, Email: phil.m.burrows@cadentgas.com Number: 07773 545451
Total Cost (£k)	<u>Original cost</u> £103,720.05 <u>Updated March 2024</u> Due to the success of the Fixed Hubs, this has led to interest across the county in having more Hubs. Cadent will extend the partnership. We will now invest additional funding into the project and the breakdown is as follows: <u>Additional costs:</u> Partner costs: £148,927.04 Slow cookers: £5,568.00 Project management costs (4%): £10,328.60
Total VCMA Funding Required (£k)	<u>Original Funding</u> £103,720.05 <u>Updated March 2024</u> £268,544.05
Problem(s)	<u>Social Isolation & Loneliness</u> Social isolation and loneliness pose many mental and physical health risks to residents living in this form of vulnerability. Recent ONS data reports that approximately 33% of the population in Warwickshire live in rural or semi-rural areas. Customers living in rural communities often have a higher risk of being socially isolated due to a number of factors including:

1. An increasing percentage of residents are elderly;
2. Facilities and transport can be limited;
3. There is often a lack of local employment opportunities,
4. Evidence suggests that broadband and technical support can be inadequate.

Social isolation is often more prevalent in older demographics of the population. An ONS report from 2015 reported that the number of people within the UK population aged 65 plus living in rural areas increased 37% between 2001-2015.

A London School of Economics' report referenced by the DNOs in their proxy bank states that:

" Many studies, both in the UK and in other settings, point to the association between loneliness and depression.

Loneliness is also a risk factor for higher rates of poor physical health, such as coronary heart disease and stroke."

The UK taxpayer funds the NHS to treat lonely individuals that experience all of these physical and mental health conditions.

Fuel Poverty in Rural Areas

Fuel poverty presents many physical and mental health risks to customers living in this form of hardship. Customers living in fuel poverty are more likely to live in a home heated below an adequate temperature and are more at risk of living in a cold, damp home.

These living conditions carry associated health risks including:

- Respiratory & circulatory conditions,
- Cardio-vascular disease, and,
- Mental health conditions

ONS statistics report that there were 50,100 excess winter deaths in 2017-2018 and it is estimated that 10% were directly attributed to fuel poverty and living in a cold home.

Many rural villages may appear affluent at face value. However, residents are not always able to access affordable sources of heat such as a gas connection and central heating, often due to their proximity to the gas network.

Furthermore, reports suggest that many customers live in large, energy inefficient homes that often carry a E, F or G EPC rating. This coupled with the lack of local employment opportunities and insufficient affordable

	<p>housing means fuel poverty can be a serious problem in rural communities.</p> <p><u>Lack of Awareness on the Dangers of Carbon Monoxide in Rural Communities</u></p> <p>Many rural communities experience a lack of facilities, particularly the provision of information and inadequate broadband. As such, it can be challenging for organisations like GDNs to reach rural customers with key messaging on gas safety and carbon monoxide awareness.</p> <p>The impact of fuel poverty in rural areas means that many customers can often not afford the cost of servicing their gas appliances or sweeping their chimneys, increasing several risk factors associated with carbon monoxide.</p> <p><u>Updated March 2024</u></p> <p>Loneliness can affect anyone. Experiences of loneliness can vary, but its effects can be profound and wide-ranging. It is considered by many to be one of the largest public health challenges we face. ¹</p> <ul style="list-style-type: none"> • In 2022, 49% of adults (25.99 million people) in the UK reported feeling lonely occasionally, sometimes, often or always. • Approximately 7.1% of people in Great Britain (3.83 million) experience chronic loneliness, meaning they feel lonely 'often or always'. • This has risen from 6% (3.24 million) in 2020, indicating that there has not been a return to pre-pandemic levels of loneliness.
<p>Scope and Objectives</p>	<p><u>Project Scope</u></p> <p>Cadent's partnership with rural communities charity Warwickshire Rural Community Council commenced in March 2020, where the parties trialed the fixed Warm Hubs concept through an 18-month pilot in Warwickshire and Solihull.</p> <p>3 communities (Shotteswell, Bidford-on-Avon and Kenilworth) were supported with launching fixed Warm Hubs during this time.</p> <p>The venues were (and remain) successful in offering essential support to rural customers including advice on home energy, gas/carbon monoxide safety and staying warm at home. The project pilot was also successful in supporting lonely customers to participate in community events, offering them increased social interaction.</p> <p>This RIIO-GD2 project builds on this successful pilot and aims to increase (and maintain) the network of</p>

¹ [Facts and Statistics | Campaign to End Loneliness](#)

Warwickshire Warm Hubs to between 12 - 20 venues across the 2-year project.

The project aims to create closer communities by:

1. Encouraging people to come together after months of isolation during the pandemic;
2. Providing people with access to energy efficiency, carbon monoxide and home gas safety advice;
3. Creating new, inclusive community activities;
4. Offering people access to a broad range of available support services by experts and carefully selected partners.

As a conservative estimate, the project will reach approximately 6280 customers between 01/11/2021 - 31/10/2023.

Fixed Warm Hub attendees will be offered a safe, friendly, and warm space to participate in community activities. Warm Hub attendees will also be offered to chance to receive expert advice on home energy and gas/carbon monoxide safety. The project will also promote the use of slow cookers as an energy efficient, affordable, and healthy means of cooking.

Many rural residents still remain isolated in the aftermath of the restrictions put in place during the Covid-19 pandemic, as many existing community events were forced to close and have not reopened. The fixed Warm Hubs project aims to offer those customers a safe, friendly, and warm place to reconnect with other local residents.

Project Objectives

The fixed Warm Hubs project contains a series of objectives that success will be measured against:

1. To support customers living in vulnerable situations across Warwickshire & Solihull. The project has an approximate reach of 6,280 customers.
2. To provide services to isolated customers living in communities that previously did not have access to community activities.
3. To generate a positive social return on investment (SROI) on funding provided by Cadent through the Vulnerability & Carbon Monoxide Allowance (VCMA).
4. To provide key messaging on gas safety, carbon monoxide awareness and in-home energy efficiency advice to isolated customers across Warwickshire & Solihull. The project expects to provide audible carbon monoxide alarms to approximately 500 customers. Additionally, the project aims to issue

	<p>home energy advice to approximately 750 customers.</p> <p>5. To support communities to tackle loneliness and isolation being faced by their residents.</p> <p>The project aims to support customers living in vulnerable situations across Warwickshire and Solihull.</p> <p>Knowledge by our partner and public data on the different types and levels of vulnerability will be used when selecting locations for fixed Warm Hubs. This will ensure that the project is both inclusive, benefiting a wide range of customers and that the project demonstrates key traits contained within the VCMA framework.</p> <p><u>Updated March 2024</u></p> <p>The success of the Fixed Warm Hub project has led to the interest across the county in having more fixed hubs.</p> <p>The previous agreement and project scope was to establish 20 fixed warm hubs. However, we are now going to increase this to 30 hubs to meet the demand in the community.</p> <p>The fixed hubs will support customers living in vulnerable situations across Warwickshire & Solihull.</p> <p>The project will reach 9,420 individuals across 30 Hubs, offering a range of services and tackling loneliness and isolation.</p> <p><u>Project Objectives</u></p> <ul style="list-style-type: none"> • 942 individuals will be supported with energy efficiency advice. • 942 individuals will receive carbon monoxide awareness and a carbon monoxide alarm. • 942 individuals will be supported in registering on the PSR. • 200 individuals will receive a slow cooker and be educated on how to cook on a budget a healthy meal. • 9,420 individuals will attend the centres to reduce feelings of loneliness and isolation.
<p>Why the Project is Being Funded Through the VCMA</p>	<p>Cadent is proposing to fund this project via the VCMA due to:</p> <ol style="list-style-type: none"> 1. Rural households make up a significant portion of the total number of customers living in vulnerable situations that the VCMA aims to support. This project is specifically aimed at supporting this customer group and utilises a partner that is expert in engaging rural communities.

	<ol style="list-style-type: none"> 2. The use of community venues as a means of engaging previously difficult to reach communities represents an innovative use of Cadent's VCMA fund. Other engagement methods such as social media, billboards and websites may not be as effective in reaching rural communities. Cadent's energy/safety messaging is still relevant to rural communities and it is essential that Cadent is able to reach them. 3. Through consultation with partners at WRCC and SROI experts, Cadent believes that delivering the following services has the potential to provide a positive social return: <ol style="list-style-type: none"> a. Support with managing fuel and improving a home's energy efficiency to reduce the risk of cold related illness. b. Increasing resident's understanding on the dangers of carbon monoxide. c. Offering inclusive community activities that support lonely and isolated customers. <p>Finally, issues such as fuel poverty are equally as prevalent in rural communities. Older energy inefficient housing means that rural customers can have higher than average fuel bills.</p> <p>Additionally, a lack of adequate broadband and information technology means that many households have a lack of awareness on the benefits of switching suppliers and tariffs.</p>
<p>Evidence of Stakeholder/Customer Support</p>	<p>Cadent conducted extensive stakeholder and customer engagement as part of its business plans formation.</p> <p>Cadent sought feedback from national rural communities charity ACRE on our proposals, particularly how we ensure that rural communities stand to receive benefit from Cadent's management of the VCMA.</p> <p>ACRE supported Cadent's strategy of using the Warm Hub concept to promote togetherness in 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 rural communities.</p> <p>Project partner WRCC also engaged local stakeholder Stratford-Upon-Avon district council around the potential need for this service in their constituency. The council pointed to their recent Social Inclusion Statement 2019-2024 which shares many overlaps with the fixed Warm Hubs project:</p> <p>The district council's social inclusion statement named the following as priority issues in the area:</p> <ol style="list-style-type: none"> a. Combating social/rural isolation;

	<ul style="list-style-type: none"> b. Supporting older people; c. Empowering communities to help themselves; d. Improving mental wellbeing; e. Raising awareness of services and support <p>Cadent and its project partner WRCC also obtained stakeholder's perspective on the unique challenges presented by the restrictions imposed during the Covid-19 pandemic that the fixed Warm Hub project looks to tackle.</p> <p>The July 2020 Coventry and Warwickshire Joint Strategic Needs Assessment reported on the impact of Covid-19 across the region as:</p> <p>"Lockdown and social distancing measures as a result of COVID-19 have had substantial impact on the wellbeing of individuals and communities, from mental health, to financial concerns, to access to important sources of support from family and friends. This is particularly true for more vulnerable individuals who are shielding, people facing domestic abuse, and people facing financial difficulties. The longer-term effect of this on health and wellbeing is yet to be fully known."</p> <p>The fixed Warm Hubs project looks to support some of the most severely impacted groups identified by the Coventry and Warwickshire Joint Strategic Needs Assessment, namely isolated customers, households with limited access to important information and those facing financial difficulties exacerbated by fuel poverty.</p>
<p>Information Required</p>	<p>Description</p>
<p>Outcomes, Associated Actions and Success Criteria</p>	<p><u>Project Outcomes</u></p> <p>The fixed Warm Hubs project aims to achieve the following project outcomes:</p> <ul style="list-style-type: none"> • The delivery of essential safeguarding services, as well as advice on in-home energy efficiency to isolated customers living in rural/semi-rural communities. • To deliver a positive social return on investment through offering support to customers that minimises the risks of health issues associated with isolation, cold related illness, and exposure to the dangers of carbon monoxide. • To bring sustainable activities to rural/semi-rural communities that currently have a lack of existing support for customers. • To support rural customers (particularly those in older age groups that are severely lonely) living with loneliness. This will result in a reduced risk

of loneliness related health conditions including depression, coronary heart disease and stroke.

- Rural communities home to fixed Warm Hubs are left better off as a result of participating in the project, with the benefits being long lasting and sustainable.

Project Associated Actions

In order to achieve the project outcomes, Cadent will work with project partner WRCC to deliver the following actions:

1. WRCC will utilise a portion of the VCMA funding to recruit a fixed Warm Hubs coordinator. This coordinator will be expert at engaging local stakeholders and customers.
2. The project coordinator will work with local stakeholders such as community village halls, parish councils and organisations such as food banks/mobile libraries to promote fixed Warm Hubs and increase uptake in the project.
3. Cadent will provide gas safety/carbon monoxide expertise, training, and resources, as well as energy advice to WRCC and community venues. This will enable rural customers to receive essential support when visiting fixed Warm Hubs venues.
4. As well as engaging new prospective Warm Hub venues, WRCC and Cadent will continue to support existing venues, ensure that customers access to information and services continue.
5. Cadent and WRCC will innovatively use social mapping data and engagement with local stakeholders to ensure fixed Warm Hubs targets communities that stand to benefit most from the project's messaging.
6. WRCC will existing wider partnerships such as food banks, fire & rescue services etc. to ensure that project customers receive wider benefit beyond energy and gas safety.

What will success look like?

The project aims to establish between 12-20 fixed Warm Hubs in rural/semi-rural communities during the 2-year project period. These venues will hold a combination of daily, weekly, and monthly activities designed to promote community, togetherness, and warmth.

As a conservative estimate, each fixed Warm Hub will support an average of 10 residents per week, or 40 customers per month. At a minimum, the project is forecasted to reach 6280 customers by the end of the 2-year period.

The customers reached through the project will predominantly be from older age groups, with many experiencing severe loneliness as a result of the restrictions imposed due to the Covid-19 pandemic, lack of community transport and rural isolation.

Success of the project will also be measured against achieving the forecasted social return on investment - see below section. The forecasted social return on investment has been based on reaching 500 customers with carbon monoxide safety advice, as well as issuing each resident with an audible alarm.

Furthermore, an element of the forecasted social return on investment has been calculated on the basis that 750 customers will receive home energy advice.

As well as aiming to reach a target number of customers, Cadent and WRCC 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:

1. Reduce loneliness experienced by project customers:
 - a. Are attendees taking part in new activities?
 - b. Do attendees report having more friends/connections as a result of the project?
 - c. Are attendees accessing new forms of community support/public services?
2. An uptake in energy efficiency and/or home gas safety information:
 - a. Are eligible attendees using carbon monoxide alarms and do they understand the signs, symptoms, and dangers of CO?
 - b. Do attendees feel warmer and safer at home?
 - c. Do attendees report energy cost savings as a result of the information issued under the project?

Updated March 2024

Project Outcomes

WRCC will coordinate and manage a further 10 Fixed Warm Hubs which will provide support to the community.

Project Associated Actions

	<ul style="list-style-type: none"> • WRCC will utilise the relationships formed through its engagement with community groups and venues to create fixed hubs. • Cadent will support with resources such as leaflets, CO alarms, and slow cookers. • WRCC will coordinate slow cooking sessions to educate people on how to use a slow cooker and cook on a budget. • To maintain and continue to support the original 20 fixed hubs • WRCC will recruit and appoint a project manager and project coordinator to manage the project due to the growth. <p><u>Success criteria:</u></p> <ul style="list-style-type: none"> • 942 individuals will be supported with energy efficiency advice. • 942 individuals will receive carbon monoxide awareness and a carbon monoxide alarm. • 942 individuals will be supported in registering on the PSR. • 9,420 individuals will attend the centres to reduce feelings of loneliness and isolation. • 200 individuals will receive a slow cooker and be educated on how to cook a healthy meal on a budget.
<p>Project Partners and Third Parties Involved</p>	<p>Cadent's primary project partner will be rural communities charity Warwickshire Rural Community Council (WRCC). A member of the ACRE network, WRCC tackle inequality and support resilience and initiatives in rural Warwickshire communities.</p> <p>WRCC aim to bring a range of expertise and skills to the partnership:</p> <ul style="list-style-type: none"> • Experience in engaging and supporting customers that live in rural/semi-rural communities. • An established network of contacts across the project geographic area - these contacts can facilitate access to previously "closed" communities. • An organisation recognised and respected by many potential customers across the project geographic area. <p>Cadent's primary project partner WRCC will also leverage contacts with third parties to add further value to the project. These include:</p> <ul style="list-style-type: none"> • Warwickshire food banks; • Local fire and rescue services and police;

	<ul style="list-style-type: none"> • Local home energy charities (such as Act on Energy); • Volunteering charities;
<p>Potential for New Learning</p>	<p>The fixed Warm Hubs project offers numerous areas of learning that Cadent can adopt for other VCMA-funded projects in RIIO-GD2.</p> <p>Firstly, one of the main rationales behind funding the project was its focus on supporting rural/semi-rural communities. Many of Cadent's projects naturally focus on more urban areas and we wanted to ensure that rural customers received benefit from the VCMA.</p> <p>This project will deliver learning on the best methods, communication channels and services to engage rural customers living in vulnerable situations.</p> <p>Secondly, the project focuses on tackling loneliness and isolation, as well as other energy safeguarding issues. Many customers living in isolation (particularly those that display other vulnerabilities) may be hesitant to re-engage with their local community following the pandemic. This project will offer learning on how Cadent as a GDN can best support customers who may still have concerns around social interaction following Covid-19.</p> <p>The project will offer an insight into rural customer's awareness of Cadent as a gas distribution network and the role we play in transporting energy to heat homes. Cadent are typically more visible in urban communities, where a greater concentration of our planned and reactive works take place. The fixed Warm Hubs project will offer Cadent the chance to engage rural customers on the role we play as a GDN, and the steps they should take when encountering a gas emergency/suspect CO.</p> <p>Finally, insight from project partner WRCC reported that many rural communities face challenges in accessing adequate broadband and information. Cadent has traditionally utilised the internet and social media to engage customers with gas safety/energy efficiency messaging. A project specifically aimed at supporting rural communities will offer Cadent learning on alternate engagement methods more suited to this audience.</p> <p><u>Updated March 2024</u></p> <p>Cadent will continue to listen to our partners to improve the support and services where possible, through our Centre for Warmth partnerships, to assist our most vulnerable individuals.</p>
<p>Scale of VCMA Project and SROI Calculations</p>	<p><u>Project Scale</u></p> <p>Fixed Warm Hubs aims to reach at least 6,280 customers by the end of the 2-year project duration. This will include a mixture of daily, weekly, and monthly Warm</p>

	<p>Hub events, with each venue supporting a conservative average of 40 customers per month.</p> <p>We believe that the investment required to deliver the project (£103,720.05) represents an effective spend of Cadent's VCMA, reaching approximately 6,280 customers that were previously difficult to engage.</p> <p><u>Social Return on Investment</u></p> <ul style="list-style-type: none"> • Forecasted social return on investment = £607,079.01 • Project investment = £103,720.05 • Total gross present value created by the project = £710,799.06 • 5-year gross present value from tackling loneliness = £480,000 • 5-year gross present value from reducing the risk of harm caused by CO = £9,819.06 • 5-year gross present value from issuing home energy advice = £220,980 <p><u>The Cost of Loneliness</u></p> <p>The fixed Warm Hubs project will reach customers living in rural areas of Cadent's network.</p> <p>²Age UK's 2018 Rural Ageing (England) report found that 24.3% of England's rural population are aged 65 or over.</p> <p>³Rural England 2016's research project reports that 10.5% of residents aged 65 and over reported feelings of loneliness.</p> <p>⁴London School of Economics' 2017 briefing paper reported that the cost to individuals, their families and society that arises from loneliness related poor health could be estimated conservatively at £6000 in older people. This figure was across a 10-year period and equates to an annual cost of £600.</p> <p>The fixed Warm Hubs project aims to reach 6,280 rural customers, 24.3% of which will be aged 65 and over. This equates to 1526 customers.</p>
--	---

² https://www.ageuk.org.uk/globalassets/age-uk/documents/policy-positions/housing-and-homes/ppp_rural_ageing_uk.pdf

³ <https://rurallengland.org/wp-content/uploads/2016/04/Final-report-Loneliness-and-Isolation.pdf>

⁴ <https://www.lse.ac.uk/business/consulting/assets/documents/making-the-economic-case-for-investing-in-actions-to-prevent-and-or-tackle-loneliness-a-systematic-review.pdf>

Rural England's research suggests that 160 individuals (10.5%) within this aged 65 and over group may have feelings of severe loneliness.

London School of Economics' research suggests a potential saving of £600 per annum for each older customer supported that was previously experiencing feelings of loneliness.

The fixed Warm Hubs project will run for 2-years. However, fixed Warm Hubs are designed to be lasting focal points of communities, delivering services beyond the duration of the project. We have used an assumption of 5-years for the duration of benefit to lonely rural customers. This equates to a cost saving of £3000 per customer.

This equates to an overall benefit of £480,000 across the entire customer group supported through the project.

The Avoidance of Harm Caused by Carbon Monoxide

Cadent and WRCC aim to issue audible CO alarms to 500 customers across the course of the 2-year project. Customers will also receive education on the signs, symptoms, and dangers of carbon monoxide.

Cadent forecasts that a 5-year gross present value of £9,819.06 will be achieved through avoidance of harm caused by CO - details below:

The issuing of audible CO alarms:

- a. Avoided A&E visits = £57.82
- b. Avoided long term hospital stays = £61.81
- c. Cost of time off work = £4.78
- d. Avoided deaths caused by CO = £5,222.55
- e. Avoided ambulance calls = £107.88

Providing customers with CO education:

- a. Avoided A&E visits = £46.26
- b. Avoided long term hospital stays = £49.45
- c. Cost of time off work = £4.20
- d. Avoided deaths caused by CO = £4,178.04
- e. Avoided ambulance calls = £86.30

Support with Home Energy Advice

Fixed Warm Hubs attendees will receive simple, practical energy advice. The energy advice will be issued to customers through a variety of channels including expert speakers, literature and signposting to other sources of information.

The energy advice issued on the project will focus on practical low-cost tips that customers can easily implement in their homes e.g. efficient use of appliances, heating and radiator controls and condensation and damp support.



Cadent has calculated the social benefit created by the issuing of energy advice as follows:

- Recent analysis conducted by SIA Partners suggested that the following 5-year gross present values could be achieved through discussing efficient use of appliances, heating and hot water controls and condensation/damp support:
- Efficient use of appliances = £367.77
- Heating and hot water controls = £332.33
- Condensation and damp = £183.82
- Advice will be issued to fixed Warm Hub customers dependent on their individual needs. As such, Cadent forecasts that customers will receive advice on at least one topic as a benchmark.
- The average 5-year gross present value of these energy advice topics is £294.64.
- Cadent and WRCC forecast that 750 households will receive support with energy saving advice over the course of the 2-year project.
- This equates to a total 5-year gross present value of £220,980.

Updated March 2024

Social Return on Investment

Total Investment: £268,544.05

- 942 individuals will be supported with energy efficiency advice: £346,439.34
- 942 individuals will receive carbon monoxide awareness: £8,223.66
- 942 individuals will be supported in registering on the PSR: £135,544.38
- 240 individuals will attend the centres to reduce feelings of loneliness and isolation: £1,949,400.00
- 200 individuals will receive a slow cooker: £47,284.00

Five-year gross present value = £969,491.38

One-year gross present value = £251,498.28

Five-year net present value = £700,947.33

One-year net present value = £199,638.25

SROI Ratio: £1:60

VCMA Project Start and End Date

The project will commence on 01/11/2021 and end on 31/10/2023.

This project predecessor was a RIIO-GD1 funded 18-month pilot between March 2020 and October 2021.

	<p><u>Updated March 2024</u></p> <p>Start date: 01/11/2021 End date: 31/10/2024</p>
Geographical Area	<p>The fixed Warm Hub project will run across rural/semi-rural areas of Warwickshire & Solihull - located in Cadent's West Midlands network.</p> <p>Particular attention will be given to areas with:</p> <ul style="list-style-type: none">• Higher levels of social isolation;• A higher concentration of need based on the volume of customers registered to the PSR;• Areas with a lack of existing infrastructure and facilities, more likely to cause community loneliness;• Higher levels of deprivation including fuel poverty and relative poverty;

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: 15/03/2022	Review Completed By: Gemma Norton
Stage 2: Sustainability & Social Purpose Team Management Review	
Date Management Review Completed: 01/02/2022	Review Completed By: Philip Burrows
Step 3: Director of Sustainability & Social Purpose Sign-Off: Mark Belmega	
Director of Sustainability & Social Purpose Sign-Off Date: 15/03/2022	
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	