

## Vulnerability & Carbon Monoxide Allowance (VCMA)

### Project Eligibility Assessment (PEA)

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### *Stakeholder Safeguarding Service Booklet*

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*18<sup>th</sup> May 2021*

**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:

<b>VCMA Eligibility Criteria</b>	<b>Criteria Satisfied (Yes/No)</b>
a) Have a positive, or forecasted positive Social Return on Investment (SROI), including for the gas consumers funding the VCMA project;	Yes
b) Either: 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**

<b>Information Required</b>	<b>Description</b>
<b>Project Title</b>	Stakeholder Booklet of Cadent services
<b>Funding GDN(s)</b>	Cadent
<b>Role of GDN(s) *For Collaborative VCMA Projects only</b>	N/A
<b>Date of PEA Submission</b>	27/06/2021
<b>VCMA Project Contact Name, email and Number</b>	Suzanne Callington Safeguarding Specialist <a href="mailto:Suzanne.callington@cadentgas.com">Suzanne.callington@cadentgas.com</a> 07866849082
<b>Total Cost (£k)</b>	£3,087
<b>Total VCMA Funding Required (£k)</b>	£3,087
<b>Problem(s)</b>	<p>Cadent recognises the importance of partnering with experts to effectively deliver energy, safeguarding and carbon monoxide services to customers living in vulnerable situations.</p> <p>It is therefore crucial that we can effectively engage expert stakeholders in order to ensure that key gas safety, carbon monoxide and in-home energy messaging reaches the customers that stand to benefit from it the most.</p> <p>Whilst we have a number of existing methods of improving the way we engage with our current or future stakeholders, one area that stakeholders have advised would be beneficial, is to provide a communication method which gives a summary on each of the safeguarding services currently offered.</p> <p>Additionally, we have received recent feedback around ease in which a stakeholder can approach Cadent to seek new project initiatives, new partner relationships and projects to deliver services designed to help keep customers living in vulnerable situations safe and warm in their homes.</p> <p>Within our annual stakeholder survey, professionals from healthcare and social and affordability charities scored us the lowest from all stakeholders in how we engage with them. Stakeholder engagement is more important than ever due to the new VCMA funding and the need for feedback on innovative project ideas.</p> <p>We are keen to engage organisations and charities in order to seek new project ideas and initiatives which Cadent can work with in partnership.</p> <p>When meeting existing or potential new partners to deliver projects to support customers living in vulnerable situations, we ensure that as part of initial conversations we provide a summary of the services we offer in order to give awareness of what is available but also to encourage new partnerships, projects and initiatives we could work on together. In order to ensure that our messaging of services remains with the organisation we need to ensure messaging is consistent and at the forefront of people’s mind. Through this feedback it has been suggested that a stakeholder booklet be available to hand out to interested parties and also an e-booklet version to email out.</p> <p>Improving Cadent's stakeholder engagement for vulnerability and carbon monoxide activities will ensure that:</p> <ul style="list-style-type: none"> <li>• Our partners clearly understand our safeguarding services;</li> </ul>

	<ul style="list-style-type: none"> <li>Through understanding our services, our partners can support their clients in accessing services that can help keep them safe and warm at home.</li> </ul>
<b>Scope and Objectives</b>	<p>Scope: To create a booklet to give to existing and potential new stakeholders and partners, providing information on the services which Cadent offers to customers living in vulnerable situations. The booklet will also provide contact details for the reader to get in touch if they have a new project idea or initiative, that they believe Cadent would like to work with them on to deliver together using VCMA UIOLI funds.</p> <p>Customers stand to benefit from this project through new services being developed from the ideas raised by potential partners engaging with Cadent to design and deliver new services to protect customers living in vulnerable situations.</p> <p>Objectives:</p> <ul style="list-style-type: none"> <li>To provide clear information to stakeholders and partners to raise awareness on the vulnerability services Cadent offer.</li> <li>To encourage potential new partners to share ideas of innovative VCMA projects which Cadent could work together on.</li> </ul>
<b>Why the Project is Being Funded Through the VCMA</b>	<p>Cadent has identified this project as suitable for VCMA funding because:</p> <ul style="list-style-type: none"> <li>The project focuses on raising awareness and promoting the delivery of vulnerability and CO safety services;</li> <li>The project enables partners to provide support to customers in vulnerable situations through new services designed to help keep consumers safe and warm in their homes.</li> <li>The project promotes innovation and the creation of projects that support vulnerability and go beyond activities funded through other price control mechanisms.</li> </ul>
<b>Evidence of Stakeholder/Customer Support</b>	<p>We recognise the importance of stakeholder feedback and how valuable partner insight can be in shaping vulnerability and carbon monoxide projects.</p> <p>Existing and new partners frequently ask Cadent to provide hand out information on services we offer and how to get in touch if their business has an idea for a new service.</p> <p>On an annual basis we engage with stakeholders to understand how satisfied they are with our engagement. Below is the question and response received.</p> <p>Question 'How we can improve the way which we engage with stakeholders?'</p> <p>Anonymous response: 'Regular updates - links to other provision and referral pathways that Cadent come across, enabling other organisations to benefit further from the Cadent stakeholder relationship'.</p> <p>The stakeholder booklet will allow us to pull together all our safeguarding services to engage with these groups that scored us below par in our annual stakeholder survey.</p> <p>Nine stakeholder groups answered the question 'How satisfied are you with your interactions with Cadent?' From the 9 groups engaged, social housing scored Cadent's engagement a 5 out of 10 and health and affordability charities scored us slightly higher at 6 out of 10.</p> <p>On question 'How effective is our communication with you?'</p> <p>Health and Affordability charities scored us the lowest at 6 out of 10.</p> <p>The stakeholder booklet will allow us to pull together all our safeguarding services to engage with these groups that scored us below par in our annual stakeholder survey.</p>
<b>Outcomes, Associated Actions and Success Criteria</b>	<p>The booklet has been prepared and is being used by team members across Cadent to support ongoing conversations with existing and potential new delivery partners. To date circa 400 have been distributed and have supported us in raising awareness of the schemes we deliver. Since the booklets have been available, we have ramped up our delivery of energy and income advice by expanding our network of delivery partners.</p>

	<p>Success comes in two ways:</p> <ol style="list-style-type: none"> <li>1. External awareness of Cadent schemes supports wider take up for customers</li> <li>2. Internal awareness within Cadent allows operational management teams to drive the delivery of schemes within their areas of accountability</li> </ol>										
<b>Project Partners and Third Parties Involved</b>	<ul style="list-style-type: none"> <li>• Alive with Ideas (Design agency to create the booklet)</li> <li>• Latcham's (printing agency)</li> </ul>										
<b>Potential for New Learning</b>	<p>It will allow us to understand if the booklet is an effective way of communicating to partners highlighting the services that Cadent offer to customers living vulnerable situations.</p> <p>We will be able to understand if the distribution of the customer booklet generates additional referrals or partnership opportunities.</p> <p>We hope to learn more about other parties who could potentially deliver customer outcomes alongside us, through this additional form of marketing, as booklets are shared across the sector.</p>										
<b>Scale of VCMA Project and SROI Calculations</b>	<p>It is difficult to calculate an actual SROI as this is a new concept and will rely heavily on stakeholder feedback. However, we have used the methodology described* below to estimate what this could be.</p> <p>*working on a conservative assumption that we issue 300 booklets out and there is 1 partnership formed and that partnership helps 20 families with debt advice, PSR sign up and energy efficiency advice, with a project cost of £3,087, the annual social return would be: <b>£62,101.60</b> *based on SIA calculations on a NEA trial</p> <table border="1"> <tr> <td>Project cost:</td> <td>£3,087</td> </tr> <tr> <td>Year 1 gross benefit value</td> <td>£65,188.60</td> </tr> <tr> <td>Year 5 gross benefit value</td> <td>£325,943</td> </tr> <tr> <td><b>1 year SROI (minus project cost)</b></td> <td><b>£62,101.60</b></td> </tr> <tr> <td><b>5 year SROI</b></td> <td><b>£322,856</b></td> </tr> </table>	Project cost:	£3,087	Year 1 gross benefit value	£65,188.60	Year 5 gross benefit value	£325,943	<b>1 year SROI (minus project cost)</b>	<b>£62,101.60</b>	<b>5 year SROI</b>	<b>£322,856</b>
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<b>VCMA Project Start and End Date</b>	<p>The project date runs from 01/06/21 – 01/06/22.</p> <p>The booklet will be updated once per year to ensure that there are any additional services included as and when they go live.</p>										
<b>Geographical Area</b>	<p>The booklet, both physical and e-booklet, will be available across all of Cadent's footprint and networks.</p>										
<b>Remaining Amount in the Allowance at Time of Registration</b>											

**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: Customer Strategy Team PEA Peer Review	
Date Immediate Team Peer Review Completed: 29/04/2021	Review Completed By: Edward Allard
Stage 2: Customer Strategy Team Management Review	
Date Management Review Completed: 13 <sup>th</sup> October 2021	Review Completed By: Phil Burrows
Step 3: Director of Sustainability & Social Purpose Sign-Off: Mark Belmega	
Director of Sustainability & Social Purpose Sign-Off Date: 27 <sup>th</sup> January 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: Feb 22	
Date that Notification Email Sent to Ofgem: Feb 22	