

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)
Centre for Warmth - BLGC

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Updated June 2025 Lucy Nembaware



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;	Yes
b) The household cannot afford to service, repair or replace the unsafe pipework or essential gas appliance; and;	Yes
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.	Yes
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	Centre for Warmth – Bolton Lads and Girls Club
Funding GDN(s)	Cadent
Role of GDN(s) *For Collaborative VCMA Projects only	The specific role(s) of GDN(s) participating in a collaborative VCMA Project
Date of PEA Submission	July 2023 Updated June 2025
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)	Project cost = £120,000.00 Slow cookers = £32.49 x 300 = £9,747.00 Project Management Costs = £4,800.00 Updated June 2025 Project cost = £49,500.00 Slow cookers = £1,252.80 Leaflets costs = £881.82 Project management costs = £2,065.38 Total= £53,700.00
Total VCMA Funding Required (£k)	Total = £134,547.00 Updated June 2025 £188,247.00
Problem(s)	<p>The Office for National Statistics (ONS) data show 56.8 per cent of households in Bolton were deprived. That puts the borough higher than the national average of 51.7 per cent.</p> <p>¹37% of children are classified as living in poverty in Bolton (after housing costs) according to End Child Poverty, compared to 30% nationally. The Active Lives Survey shows us that those young people from less affluent households are more likely to be less active.</p> <p>²Overall, comparing local indicators with England averages, the health and wellbeing of children in Bolton is worse than England. The infant mortality rate is worse than England with an average of 12 infants dying before the age of 1 every year.</p>

Recently there have been 8 child deaths (1-17 year olds) each year on average.

³Children and families living and growing up in poverty and low-income households experience many disadvantages. These can have negative health and social consequences during childhood and into adulthood.

There are several ways in which living in poverty can lead to poorer health outcomes in children, as well as into adulthood.

Many children in Bolton are young carers and struggle educationally with being able to focus on school whilst overwhelmed by other worries or can be bullied for being different. They become isolated, with no relief from the pressures at home, with 1 in 3 young carers saying that caring makes them feel stressed.

Fuel Poverty

⁴The government's figures show that around 18,250 households in the borough of Bolton were already classed as living in fuel poverty.

The figures show that just over 14 per cent of people in Bolton have been so hard pressed by the cost of energy that after paying their bills they were left with incomes that classed them below the poverty line.

According to the Office for National Statistics, more than one in ten of the people living in poverty in Bolton also have respiratory or heart problems.

The ONS figures show that around 69,020 people living in poverty in private households in Bolton as of March 2021. Of these people 7,545 of them had a cardiovascular or respiratory condition, coming to 11 per cent.

Updated June 2025

Reports from 2024–2025 show that poverty remains a serious and growing challenge in Bolton, with parts of the borough ranked among the most deprived in England. This has led to increasing reliance on support services as residents struggle with rising living costs, shortages of essentials, and wider economic pressures. Demand for support from BLGC continues to rise, yet as a charity, its capacity to meet this need is limited without funding.

Due to Cadent's investment, the project has already delivered meaningful assistance-providing vital guidance on carbon monoxide safety, energy efficiency, income maximisation, and access to the Priority Services Register (PSR) and much more. Ongoing support is essential to sustain and expand these

³ www.healthscotland.scot

⁴ www.theboltonnews.co.uk

	<p>interventions, ensuring young people and children receive holistic, early help through the centre, schools, and other outreach methods, when and where it is needed most.</p> <p>Therefore, a project extension and additional funding from Cadent funding is required.</p>
Scope and Objectives	<p>Cadent will supply Bolton Lads and Girls Club (BLGC) with £134,547.00 of VCMA funding to deliver a 2 year Centre for Warmth project:</p> <p>This funding will be used for the following:</p> <ul style="list-style-type: none"> • Contribution to staff salaries to enable them to give advice. • Families will receive advice on benefits, CO, PSR and energy efficiency through the various programmes ran at the centre. • Contribution to cost of food to provide 2,500 hot meals per month to children attending the centre. • Contribution to centre running costs to help keep the doors open. • Families and young carers will attend slow cooking sessions at the centre to learn how to cook more efficiently. • Staff will host CO and PSR sessions to raise awareness and utilise their social media to spread the messages. • Staff will support people to register to the PSR. <p>This project aims to reach approximately 1,600 individuals over the 2 year project.</p> <ul style="list-style-type: none"> • 1,600 people will receive advice on benefits/income maximisation. • 1,600 people will receive advice on energy efficiency. • 1,600 people will receive advice on Carbon Monoxide awareness. • 1,600 people will be given advice on the PSR. • 160 people will be assisted to sign up to the PSR. • 300 people will be educated on how to use a slow cooker to help lower energy usage. • 2,500 people will alleviate loneliness and isolation by attending the centre. <p><u>Updated June 2025</u></p> <p>Cadent will provide BLGC with an additional £53,700.00 for a nine-month extension. The funding will enable BLGC to deliver the additional services outlined below, building on the proven delivery methods established over the past two years while applying key lessons learned.</p> <p><u>Project Objectives</u></p> <p>The success of the project will be measured against achieving the additional objectives below:</p> <ul style="list-style-type: none"> • 1,025 people will receive advice on benefits/income maximisation. • 1,075 people will receive advice on in home energy efficiency.

	<ul style="list-style-type: none"> • 800 people will receive advice on CO awareness. • 450 people will be given advice on the PSR. • 45 people will be assisted to sign up to the PSR. • 45 people will be educated on how to use a slow cooker to help lower energy usage. <p>An average of 1,075 people will attend the centre and have access to loneliness and isolation support.</p>
Why the Project is Being Funded Through the VCMA	<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. We believe this project has the deliverables necessary to create a positive social return on investment - see the below section for more details.</p> <p>B. The project will either:</p> <ol style="list-style-type: none"> Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or Provide awareness on the dangers of CO, or Reduce the risk of harm caused by CO. <p>The project will provide support to customers living in vulnerable situations through energy efficiency advice/income maximisation. The project will also offer customers education on the dangers of CO and issue audible alarms to particularly at-risk households. Finally, the project will reduce the risk of harm caused by CO through offering free safety checks on unsafe appliances that have not been historically serviced by a gas safe registered engineer.</p> <p>C. The project has defined outcomes and the associated actions to achieve them. 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.</p> <p>D. The project goes beyond the activities funded through other price control mechanisms or required by licence obligations. The method in which energy efficiency, gas safety and income maximisation advice is issued to families on this project is innovative and goes beyond BAU. Additionally, the offer of a free gas appliance safety check conducted by an upskilled Cadent engineer is a first for the VCMA and business as a whole.</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 delivered solely through Cadent's VCMA funding.</p>
Evidence of Stakeholder/Customer Support	<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>

Firstly, we conducted "Energy Diaries", 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.

The Centre for Warmth – BLGC recognises this feedback by offering vulnerable households essential support with income maximisation and energy efficiency services.

Secondly, 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 also 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.

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.

Finally, Cadent asked customers for their views on which of the below statements best described their health and financial situation compared to 2021:

- My current household's health or financial situation is worse off compared to 2021.
- My current household's health or financial situation is the same compared to 2021.
- My current household's health or financial situation is better off compared to 2021.

60% of participants responded that their households' health or financial situation was worse off this year compared to 2021 levels.

This project aims to support households most impacted by a downturn in their financial health through offering services such as income maximisation and benefit entitlement checks.

Updated June 2025

House of Commons Library Report, April 2025

The House of Commons Library published a report on fuel poverty. Many of the points highlighted in the report align with the key objectives that the Centre for Warmth project aims to achieve:

- Several stakeholders have recommended that Governments do more on fuel poverty.
- Many consumer groups argue that the pandemic has worsened fuel poverty and more needs to be done.
- Fuel poverty spans energy, income, housing, and health policies.

	<ul style="list-style-type: none"> • A number of charities have campaigned for new policy on fuel poverty including increased financial support for fuel poor households and increased energy efficiency. • It highlights the need to harness and empower trusted intermediaries and independent advice providers to support clarity around information. <p>Centre manager quote “Our ambitions over the next four years are to reach, engage, support and where necessary protect even more children and young people. Our strategic priorities are only possible with the support we receive, and partnerships created with local businesses and individuals and together we can continue to achieve and increase our support for local Children and Young People:</p> <ul style="list-style-type: none"> • Together we can Improve physical, emotional and mental wellbeing. • Together we can build on resilience and strengths. • Together we can increase confidence and aspirations for the future. • Together we can increase social mobility. <p>We are in a position where the funding we receive is decreasing, and the demand is ever-increasing, we are not government funded and we rely on the support and collaborative partnerships with local businesses and individuals. Through the Centre of Warmth partnership with Cadent Gas we are able to achieve many of our objectives above”</p>
Information Required	Description
Outcomes, Associated Actions and Success Criteria	<p><u>Project Outcomes</u></p> <p>The VCMA project will be delivered in partnership with BLGC and aims to support approximately 1,600 people with home energy, income, CO and PSR advice over the 2 year period.</p> <p>The Centre for Warmth Project aims to achieve the following outcomes:</p> <ul style="list-style-type: none"> • Provide people with advice on income maximisation and benefit entitlement. • Provide people with advice on energy efficiency. • Provide people with advice on Carbon Monoxide safety. • Provide free CO alarms to people living in vulnerable situations. • Provide slow cooking sessions to people to educate them on cooking more efficiently. • Provide people with advice on the PSR. • Help people alleviate loneliness and isolation by providing a safe place for them to meet and interact. • Provide 2,500 hot meals for children who attend the centre. <p><u>Associated Actions</u></p> <p>Cadent’s funding will be used to:</p>

- 2 advice/youth support workers to offer advice on energy efficiency, CO and PSR.
- Keep the centre running by assisting with running costs for time spent on the project.
- Host slow cooking sessions to help families to lower energy consumption by using a slow cooker instead of a conventional oven.
- Host sessions on CO awareness.
- Host sessions on the PSR.
- Provide hot meals for children, who otherwise may go without food, this also alleviates loneliness by eating in a social setting.

Success criteria

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

1. The project will reach approximately 1,600 people with advice across the course of the 2-year contract.
2. 1,600 people will receive in-depth 1-2-1 advice on income maximisation.
3. 1,600 people will receive energy efficiency advice.
4. 300 people will receive support with learning how to use slow cookers as an affordable, efficient, and healthy means of cooking.
5. 1,600 people will receive advice on CO.
6. 160 people will receive support to sign up to the PSR.
7. 1,600 people will receive advice on the PSR.
8. 5,000 people will attend the sessions to help alleviate loneliness and isolation and will receive a hot meal.
9. 2,500 hot meals per month provided - statistics show 1 in 4 families in Greater Manchester are currently experiencing Food Insecurity, including skipping meals and storing food, not knowing when their next meal will be.

Updated June 2025

The services listed below will be provided via BLGC during the extension period. The advisers/youth workers employed through the project will deliver services and activities to address all relevant vulnerabilities experienced by young people and children that engage in the centre's services.

Associated Actions

Cadent will continue to provide the funding, resources and training required to support the centre, ensuring it can continue to effectively deliver key services. The centre will also carry forward successful elements of the project and implement any lessons learnt.

	<p><u>Success Criteria</u></p> <p>The success of the extension will be measured against achieving the additional objectives:</p> <ul style="list-style-type: none"> • 1,025 people will receive advice on benefits/income maximisation. • 1,075 people will receive advice on in home energy efficiency and slow cooking (they will not receive a slow cooker). • 800 people will receive advice on CO awareness. • 450 people will be given advice on the PSR. • 45 people will be assisted to sign up to the PSR. • 45 people will be educated on how to use a slow cooker to help lower energy usage. • An average of 1,075 people will attend the centre and have access to loneliness and isolation support.
Project Partners and Third Parties Involved	BGLC
Potential for New Learning	<p>Since the project began in April 2021 Cadent has realised that every area/town seems to be suffering with the same problems. Fuel poverty, unemployment, low wages, and the cost-of-living crisis.</p> <p>Alongside these, each area is also dealing with specific issues such as domestic violence and high incidences of self-harm in children. These are dealt with by these centres as there are no alternative services available.</p> <p>Cadent have brought the centres together on a forum in order for them to share ideas, best practice and resources.</p> <p>This forum has helped to forge links with the centres across Cadent's five networks, that were not previously there, and this acts as a support network.</p> <p>This takes place online every six months and is proving beneficial to all the centres involved.</p> <p><u>Updated June 2025</u></p> <p>Community spaces are facing ongoing pressure to meet rising demands across diverse community needs, particularly as local authority resources continue to shrink. By recognising and responding to the evolving needs of different communities, Cadent can identify the most effective ways to help residents overcome socioeconomic challenges while also fostering valuable cross-network learning.</p> <p>Where possible, Cadent will maintain close collaboration with partners to enhance the support and services offered to vulnerable customers. This approach builds on the extension model, where funding has been made more flexible to better reflect the specific requirements of each centre.</p>
Scale of VCMA Project and SROI Calculations	<p>The BLGC Centre for Warmth will deliver support for a 2-year period and will focus on advice for approximately 1,600 customers.</p> <p>The total reach will be divided as below:</p>

- 1,600 Customers receiving income maximisation advice = £2,747,376
- 1,600 Customers receiving energy efficiency advice = £588,432.00
- 1,600 Customers will receive advice on CO = £13,964.37
- 160 customers will receive support to sign up to the PSR = £23,022.40
- 5,000 customers will alleviate loneliness and isolation through attending various sessions = £169,500.00
- 300 customers attending slow cooker sessions = £70,926.00.

Total reach of 1,600 customers across the 2 years for advice services.

Total Investment = £134,547.00

SROI calculations:

5 year Gross Present value = £3,613,224.40

1 year Gross Present value = £858,244.88

5 year SROI = £3,478,677.40

1 year SROI = £790,971.38

SROI Ratio £1: £25.8

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 Partners 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;

	<ul style="list-style-type: none"> • 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; <p>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.</p> <p><u>Supporting households to register to the Priority Services Register</u></p> <p>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.</p> <p>SIA Partners evaluated an average 5-year gross present value of £143.89 for a single PSR registration.</p> <p><u>The Cost of loneliness</u></p> <p>The Centre for Warmth project will reach customers living in urban areas of Cadent's network.</p> <p>⁵The Office for National Statistics in 2018 found that 11.3% of 10 – 15-year-olds said that they were “often lonely.”</p> <p>⁶Social 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 young people who feel lonely are at greater risk of developing mental health conditions.</p> <p>The Centre for Warmth project aims to reach 5,000 customers. 11.3% of which will be aged between 10-15 years old.</p> <p>⁷BLGC estimate that approximately 5,000 youths will pass through the centre over 2 years and 11.3% of these will experience feelings of loneliness.</p> <p>Social Psychiatry and Psychiatric Epidemiology research suggest a potential saving of £600 per annum for each customer supported that was previously experiencing feelings of loneliness.</p> <p>The Centre for Warmth project will run for 2 years, equating to a saving of £1,200 per customer.</p>
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⁵ <https://www.bbc.co.uk/news/uk-43316697>

⁶ <https://link.springer.com/content/pdf/10.1007/s00127-019-01733-7.pdf>

⁷ <https://campaigntoendloneliness.org/guidance/wp-content/uploads/2015/06/StatisticsGFLA.pdf>

	<p>This equates to an overall benefit of £169,500.00 for 2x year only as the risk of experiencing loneliness and isolation can increase again after the project stops delivering support.</p> <ol style="list-style-type: none"> 1. 5,000 people using centre. 2. 11.3% of the population aged between 10-15 and experiencing feelings of loneliness = 565 people 3. 25% of those 565 people are lonely = 141.25 people <p>141.25 people x £1200 (£600 per annum) = £169,500</p> <p><u>Updated June 2025</u></p> <p>Cadent will invest a further £53,700.00 in partnership with BLGC, to enable the charity to continue providing support in Bolton, through the project. Overall, Cadent will invest £188,247.00 over the 33 -month project duration.</p> <ul style="list-style-type: none"> • 2,625 individuals will receive income maximisation advice = £4,507,413.75 • 2,675 individuals will receive energy efficiency advice = £983,784.75 • 2,400 individuals will receive advice on CO = £20,952.00 • 205 individuals will be registered to the PSR = £29,497.45 • 345 individuals will receive a slow cooker and advice on cooking healthier meals = £81,564.90 • 175 individuals will be alleviated from loneliness and isolation = £288,750.00 <p>Five-year gross present value = £5,911,962.85 One-year gross present value = £1,229,642.57</p> <p>Five-year net present value = £5,723,715.85 One-year net present value = £1,162,369.07</p> <p>SROI Ratio: £1:30</p>
VCMA Project Start and End Date	<p>Start Date 1st July 2023 End Date 30th June 2025</p> <p><u>Updated June 2025</u> Start date: 1st July 2023 End Date: 31st March 2026</p>
Geographical Area	The project will be delivered in Cadent's North-West Network. Supporting the communities in Bolton.
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: 20/07/23 15/12/2025	Review Completed By: Kerry Doyle Nicola Campbell
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 24/07/23 18/12/2025	Review Completed By: Phil Burrows Emma Turnbull
Step 3: Director of Sustainability & Social Purpose Sign-Off: Mark Belmega Phil Burrows	
Director of Sustainability and Social Purpose Sign-Off Date: 20/12/23 19/12/2025	
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: December 23	
Date that Notification Email Sent to Ofgem: December 23	