

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA) *Together for Short Lives*

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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 a forecasted positive, Social Return on Investment (SROI) and Net Present Value (NPV) including for the gas consumers funding the VCMA Project (GDNs should use a common SROI model.	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 license 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	
To qualify as a VCMA Project, essential gas appliance servicing must meet the following criteria:	
a) Either: i. A GDN has had to isolate and condemn an essential gas appliance following a supply interruption or as part of its emergency service role; or ii. A GDN or its Project Partner has identified an essential gas appliance which has not been serviced in the last 12 months in the owner-occupied home of a customer in a Vulnerable Situation where an occupier of the property suffers from a permanent or temporary health condition that makes them more vulnerable to health risks associated with cold homes; or iii. A GDN or its Project Partner has identified an essential gas appliance which has not been serviced in the last 12 months in a tenant-occupied home of a customer in a Vulnerable Situation where it is the tenant's responsibility to maintain the essential gas appliance, where an occupier of the property suffers from a permanent or temporary health condition that	Not applicable

makes them more vulnerable to health risks associated with cold homes.	
b) The household cannot afford to service the essential gas appliance, which is assessed against criteria consistent with the Energy Company Obligation (ECO4) Guidance: Delivery document ¹ (see Appendix 1).	Not applicable
c) Sufficient funding is not available from other sources (including a social or private landlord, national, devolved, local government funding) to fund the essential gas appliance service.	Not applicable

Section 3 - Eligibility criteria for Collaborative VCMA Projects	
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	Together for Short Lives
Funding GDN(s)	Cadent
New / Updated (indicate as appropriate)	New
Role of GDN(s) *For Collaborative VCMA Projects only	N/A
Date of PEA Submission	01/04/2025
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)	Partner costs: £118,060 Leaflets: £1,160 Project management costs (4%): £4,768


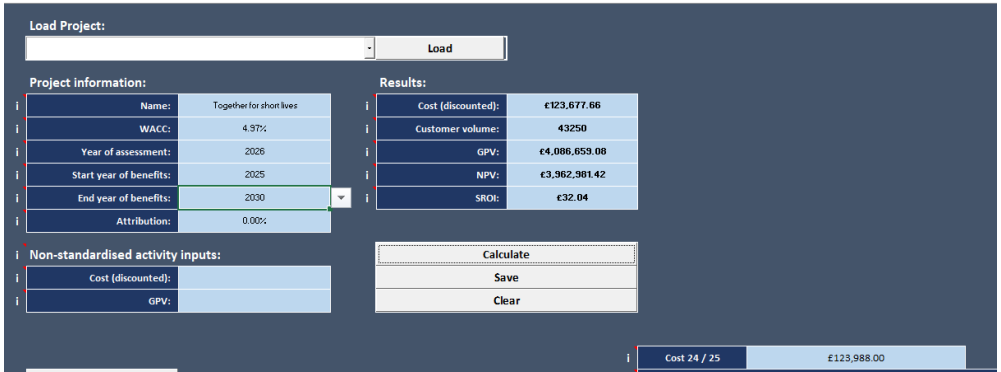
Total VCMA Funding Required (£k)	£123,988.00
Problem(s)	<p>Due to the rising costs of energy and food National Energy Action estimate that over 6 million households are living in fuel poverty.</p> <p>A household is in fuel poverty if it is on a low income and faces high costs of keeping adequately warm and other basic energy services. Fuel poverty is driven by three main factors: household income, the current cost of energy and the energy efficiency of the home.</p> <p>Cold homes can affect or exacerbate a range of health problems including respiratory problems, circulatory problems and increased risk of poor mental health. Estimates suggest that some 10% of excess winter deaths are directly attributable to fuel poverty and a fifth of excess winter deaths are attributable to the coldest quarter of home.</p> <p>Data shared by Citizens Advice has demonstrated that it is disabled people and those living with a health condition that continue to be most likely in energy crisis and requiring tailored support, and that it's this group who are disproportionately going into energy debt as the energy needs are greater and the impact of self-disconnection is more acute.</p> <p>According to data as recently as August 2024 from the Citizens Advice Cost of Living Crisis dashboard, energy advice (alongside rent debt and council tax debt) is continuing to be the top concern for people, and unwelcome records continue to be broken in the number of people who can't afford to top up their prepayment meter. In 2022, there were more people who couldn't afford to top up their prepayment meter than the whole of the previous ten years combined - and 2023 was even higher than 2022. 2024 is currently on track for similar numbers to 2023.</p> <p>We know that disabled individuals and those with health conditions are most likely to experience energy crises and require specialised support. They are disproportionately falling into energy debt due to greater energy needs, and the impact of self-disconnection is more severe.</p> <p>Research indicates that several of the areas within the Cadent footprint have the highest prevalence of seriously ill children in the UK¹. Bedford, Luton, and Milton Keynes rank first, the West Midlands second, and Birmingham and Solihull third. Greater Manchester has the highest number of cases, with 6,241 children diagnosed with life-threatening or life-limiting conditions. Additionally, none of these regions currently have 24/7 end-of-life care or access to children's nursing and consultants at home.</p> <p>Families with terminally ill children face increased stress as rising costs affect household income. These families already encounter significant hidden expenses while caring for their child with complex needs, and the cost-of-living crisis has further intensified these challenges. Many families rely on electrical equipment to maintain their child's health, prevent further disability, and improve their quality of life. For some, equipment such as ventilators is essential for sustaining life. The additional energy costs are unavoidable, as vital equipment like ventilators, food pumps, hoists, and warming blankets contribute to higher bills. Families cannot choose to reduce usage or turn off these devices and must meet these escalating costs to keep life-saving equipment operating for their child.</p> <p>Compared to 4% a decade ago, 33% of families with a seriously ill child have taken out a loan in order to pay for food. The situation for these families is pressing and escalating - 64% of families with a seriously ill child expect their financial situation to worsen over the next two years.</p> <p>For these families being registered on the Priority Service Register provides peace of mind and greater resilience regarding their child's care if there should be an outage of power.</p>

Scope and Objectives	<p>Cadents VCMA funding will be used to train 600 professionals across the Together for Short Lives network in PSR benefits , Energy Efficiency Advice and Carbon Monoxide awareness.</p> <ul style="list-style-type: none"> • From April – September the training will be focused in the Northwest area as this has the highest number of terminally ill children ,therefore the highest need. • A specialist energy advisor will train teams who work in the community connecting families to existing healthcare services. • The teams will then go on to support families with energy advice, registering to the PSR and raising awareness of Carbon Monoxide poisoning. <p>These teams will liaise with hospices in the region to raise awareness of energy, CO and PSR through events and training.</p> <ul style="list-style-type: none"> • Brian House Children’s Hospice in Thornton-Cleveleys • Derian House Children’s Hospice in Chorley • Claire House Children’s Hospice, Bebington • Francis House, Didsbury in Manchester <p>From October - March 2026 this programme will be rolled out to the West Midlands palliative care network. Including the following hospices:</p> <ul style="list-style-type: none"> • Acorns – 3 sites in Birmingham, Walsall and Worcester. • Dougie Mac Children’s Hospice • Zoe’s Place in Coventry • Bluebell Wood in Sheffield
Why the Project is Being Funded Through the VCMA	<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, tackling loneliness and isolation 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 outcomes that meets all three elements of the criteria. For example, training 600 professionals within the Together for Short Lives network in Energy Efficiency, CO and PSR advice.</p> <p>c. Have defined outcomes and the associated actions to achieve these:</p> <p>Cadent and Together for Short Lives will enter into a partnership that will contain project objectives and outcomes. Further details of these</p>

	<p>can be found in the 'Outcomes, Associated Actions and Success Criteria' section.</p> <p>d. Go beyond activities that are funded through other price control mechanism(s) or required through license obligations, and,</p> <p>This method of delivering support to customers in vulnerable situations falls outside of Cadent's BAU activities and other license 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>
Evidence of Stakeholder/Customer Support	<p>Cadent has previously conducted and continues to obtain extensive stakeholder and customer engagement on its RIIO-GD2 business plans and subsequent VCMA delivery. For instance, we regularly seek to obtain the feedback of stakeholders such as Citizens Advice and National Energy Action (NEA) to understand the needs of customers in vulnerable situations.</p> <p>These regular conversations allow Cadent to gain feedback on the initiatives we are, or should be supporting, and ensure that our VCMA-funded projects are in the best interests of our customers.</p> <p>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> <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. Additionally, the customer demographic of >65 years old can be disproportionately impacted by fuel poverty, due to factors such as being more at risk of cold related illness, generally having lower levels of household income, and spending a greater proportion of time at home.</p> <p>In terms of customer engagement, we asked customers for their views on which of the below statements best described their health and financial situation in 2022-2023, when compared to 2021:</p> <ul style="list-style-type: none"> • My current household's health or financial situation is worse off compared to 2021. <p>60% of participants responded that their households' health or financial situation was worse off this year compared to 2021 levels.</p> <p>This project aims to act upon this customer insight and feedback by supporting customers impacted by a downturn in their financial health. This will be achieved through offering services such as energy efficiency advice, CO and PSR awareness to give a wraparound support service.</p>

Information Required	Description
Outcomes, Associated Actions and Success Criteria	<p>Together for Short Lives will train professionals to provide support and advice to families who are living with a terminally ill child.</p> <p>The objective of the project is to provide information and awareness on energy efficiency, CO, PSR to people who are struggling with caring for a child who is facing end of life.</p> <ul style="list-style-type: none"> • 600 professionals across Together for Short Lives network including hospices will be provided with energy safeguarding training, PSR and CO awareness alongside Fuel Poverty support via the network of palliative care and hospice networks. • 150 professionals will be offered direct training in energy safeguards-given pack resources and information. • 20,000 vulnerable households will be provided with information on the PSR, Energy efficiency and CO with additional support via embedded referral networks addressing poverty and debt. • 200 families will be offered targeted support via an energy support officer. • 10 Hospices and 3 hospitals will be supplied with information packs for parents totalling 2,500 families. <p><u>Project outcomes</u></p> <p>The VCMA project will be delivered in partnership with Together for Short Lives and aims to support 20,000 customers with energy efficiency, CO and PSR advice.</p> <ul style="list-style-type: none"> • Provide CO safety advice raising awareness of signs and symptoms of CO poisoning • Provide advice on the benefits of signing up to the PSR. • Provide advice on more efficient ways of using energy and lowering consumption through changing behaviours. • Support families who are caring for a child/young person with life limiting conditions at home with access to the Priority Services Register helping them achieve greater resilience and peace of mind should they experience a supply interruption or need extra help from their utility companies • Improve the ability of existing staff and professionals to identify fuel poverty in homes and provide appropriate information and resources to the most vulnerable families • Train the existing helpline and outreach teams to be able to handle enquiries with greater knowledge about utility companies, energy questions and fuel poverty – this to help with legacy of the project • Increase awareness and uptake of the core services and support offered by Together for Short Lives Family Hub • Increased insights to support the Together for Short Lives policy team to provide an evidence base to identify issues which require systemic change in policy and practice in order to reduce fuel poverty for families of children with life-limiting conditions.

	<p><u>Associated Actions</u></p> <p>The Together for Short Lives project will utilise Cadents VCMA funding to train 600 professionals across Cadents networks to support families living with a terminally ill child.</p> <ul style="list-style-type: none"> • 600 professionals across Together for Short Lives network including hospices will be provided with energy safeguarding training , PSR and CO awareness alongside Fuel Poverty support via the network of palliative care and hospice networks. • 150 professionals will be offered direct training in energy safeguards-given pack resources and information. • 20,000 vulnerable households will be provided with information on the PSR , energy efficiency and CO with additional support via embedded referral networks addressing [poverty and debt. • 200 families will be offered targeted support via an energy support officer. • 10 Hospices and 3 hospitals will be supplied with information packs for parents totalling 2,500 families. <p><u>Success Criteria</u></p> <p>The success of the project will be evaluated against the meeting of the projects objectives which include:</p> <ul style="list-style-type: none"> • Training 600 professionals within the Together for Short Lives network in Energy , CO and PSR advice. • 150 professionals receiving direct training on energy safeguarding. • 20,000 customers receiving advice on Energy efficiency, CO and PSR via social media channels , media and promotions. • 200 Families receiving tailored support. • 2,500 families receiving targeted support through the energy support officer. • 1,750 people being registered to the PSR. <p>This project is forecasted to produce a positive social return on investment.</p>
Project Partners and Third Parties Involved	Together for Short Lives
Potential for New Learning	<p>This project is unique in the fact it is supporting families who are enduring probably the hardest thing in lifethe prospect of losing a child. The stress, heartbreak and anxiety this causes is bad enough but when you add to this concerns around finances mostly due to not being able to work, it becomes an impossible situation.</p> <p>Many of these families have higher energy bills due to equipment required to keep their children alive or comfortable and the impact of this is sometimes going without food or paying important bills in order to keep the heating on.</p> <p>These families aren't always in a position to search for help as they are focused on the child, so it needs to be more readily available from sources they know and trust.</p> <p>This is why a partnership with Together for Young Lives is so important, they will ensure the information and support is readily available.</p>

	This partnership also offers Cadent an insight into the most effective ways of reaching this specific group of customers with essential advice.
Scale of VCMA Project and SROI Calculations, including NPV	<p>Total Investment = £123,988 1-year gross value = £1,456,943.91 5-year gross value = £ 4,086,659.08</p> <p>1-year net value = £ 1,333,266.25 5-year net value = £ 3,962,981.42</p> <p>SROI £32.04</p> <p>  </p>  <p>The following activities have been forecasted using the GDN rulebook:</p> <p>20,000 CO conversations via social media 20,000 Energy advice behavioural conversations via social media 1750 PSR registrations 750 professionals trained in CO 750 professionals trained in energy advice.</p>
VCMA Project Start and End Date	Start Date 01 April 2025 to 31st March 2026
Geographical Area	Northwest /West Midlands
Internal governance and project management evidence	Description of GDN(s) review of proposal and project sign-off, with details on how the project will be managed.

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: 14/01/25	Review Completed By: Kate Ravenscroft

Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 31/10/25	Review Completed By: Gemma Norton
Step 3: Head of Sustainability & Social Purpose Sign-Off: Phil Burrows	
Head of Sustainability and Social Purpose Sign-Off Date: 31/10/25	
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 2025	
Date that Notification Email Sent to Ofgem: December 2025	

ⁱ Together for short lives proposal