

# Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)  
*CfW Energy Assessment*

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## Gas Network Vulnerability & Carbon Monoxide Allowance (VCMA) Governance Document - Project Eligibility Criteria

<b>Section 1 - Eligibility criteria for company-specific projects (other than condemned essential gas appliance repair and replacement)</b>	
In order to qualify as a VCMA project, a project must:	
<b>VCMA Eligibility Criteria</b>	<b>Criteria Satisfied (Yes/No)</b>
<b>a)</b> 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.	<b>Y</b>
<b>b)</b> Either: <ul style="list-style-type: none"> <li><b>i.</b> Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or</li> <li><b>ii.</b> Provide awareness on the dangers of CO, or</li> <li><b>iii.</b> Reduce the risk of harm caused by CO;</li> </ul>	<b>Y</b>
<b>c)</b> Have defined outcomes and the associated actions to achieve these;	<b>Y</b>
<b>d)</b> Go beyond activities that are funded through other price control mechanism(s) or required through license obligations; and	<b>Y</b>
<b>e)</b> Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding.	<b>Y</b>
<b>Section 2 - Eligibility criteria for company-specific essential gas appliance servicing</b>	
To qualify as a VCMA Project, essential gas appliance servicing must meet the following criteria:	
<b>a)</b> Either: <ul style="list-style-type: none"> <li><b>i.</b> 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</li> <li><b>ii.</b> 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</li> <li><b>iii.</b> 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</li> </ul>	<b>Not applicable</b>

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 document1 (see Appendix 1).	<b>Not applicable</b>
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.	<b>Not applicable</b>

<b>Section 3 - Eligibility criteria for Collaborative VCMA Projects</b>	
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;	<b>Not applicable</b>
b) Have the potential to benefit consumers on the participating networks; and	<b>Not applicable</b>
c) Involve two, or more, gas distribution companies.	<b>Not applicable</b>

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

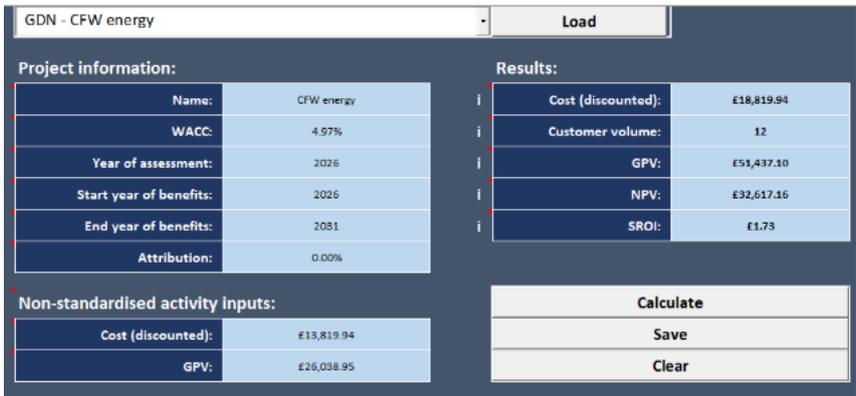
<b>Information Required</b>	<b>Description</b>
<b>Project Title</b>	Centre for Warmth Energy Assessment
<b>Funding GDN(s)</b>	Cadent
<b>New / Updated (indicate as appropriate)</b>	New
<b>Role of GDN(s) *For Collaborative VCMA Projects only</b>	N/A
<b>Date of PEA Submission</b>	1st December 2025
<b>VCMA Project Contact Name, email and Number</b>	Name: Phil Burrows Title: Head of Customer Vulnerability Social Programme Delivery Email: <a href="mailto:Phil.m.burrows@cadentgas.com">Phil.m.burrows@cadentgas.com</a> Number: 07773 545451
<b>Total Cost (£k)</b>	Total Cost: £18,819.84
<b>Total VCMA Funding Required (£k)</b>	Partner costs: £18,096 .00 Project management costs (4%): £723.84 Total Cost: £18,819.84

<p><b>Problem(s)</b></p>	<p>Cadent's Centres for Warmth are community buildings many of which are either owned by charities or are provided by local authorities on the basis the organisation is responsible for infrastructure maintenance. Due to the age and lack of all but essential maintenance of the buildings they are experiencing higher than average energy costs and potentially significant bills when commercial boilers need to be repaired or replaced. In addition to this they are not protected by the energy price cap and are not always able to fix their energy prices due to lack of visibility on income<sup>2</sup> as they are dependent on grant funding.</p>
<p><b>Scope and Objectives</b></p>	<p>Cadent's funding will be used by Groundwork Yorkshire to undertake an impartial and person non-domestic energy assessment.</p> <ul style="list-style-type: none"> <li>• In person energy assessment for six centres</li> <li>• Production of detailed reports including costs and payback timed.</li> <li>• 1 year licence on Matterport<sup>i</sup></li> </ul> <p><b><u>Project scope</u></b></p> <p>This will include recommendations for energy and carbon saving measures which could be implemented into the building including a calculation of carbon savings and payback times. They will meet with the centres to discuss the findings of the report and support with bids for capital funding to install the recommended measures.</p> <p>They will also review their energy tariffs and advise if they could be improved upon.</p> <p>Groundwork Yorkshire will also develop an e-learning module that we will embed in our VCMA Useful Resource Library. This will be accessible to all VCMA-funded partners, enabling them to upskill on indoor air quality and its link to carbon monoxide.</p> <p>Groundwork Yorkshire will deliver:</p> <ul style="list-style-type: none"> <li>• 6 x community building energy surveys</li> <li>• Support grant/consultation delivery for 6 organisations</li> <li>• Indoor Air Quality E-Learning development and delivery</li> <li>• Indoor Air Quality x 5 online webinars to VCMA partners</li> </ul> <p><b><u>Objectives</u></b></p> <p>The project will support six centres in their bid to improve both the energy efficiency of their buildings and saving costs due to measures including LED lighting and guidance on understanding tariffs and being more proactive in reducing costs. It will help them apply for external funding for recommended measures which would improve both the energy efficiency of the building and provide a warm space for individuals utilising the centres.</p>

<sup>2</sup> [The Energy Diaries - Cadent Gas Ltd](#)

	The Air Quality E-Learning will create awareness of the risks of poor air quality and the opportunities they may have to make improvements.
<b>Why the Project is Being Funded Through the VCMA</b>	<p>The centres have neither the funds required to commission the survey or the knowledge of the grant application process for the works required as it is not via a single funding mechanism. Without Cadent funding and intervention this activity would not happen.</p> <p>By co-ordinating this activity Cadent is enabling them to improve the energy efficiency of individual buildings with the intention of reducing energy usage and costs ensuring individuals using the centres are warm and comfortable.</p>
<b>Evidence of Stakeholder/Customer Support</b>	<p>Since 2022 Cadent has been conducting stakeholder research specifically in relation to energy costs and affordability. The fourth iteration of the Energy Diaries in 2025 is the Voices of small organisations namely SME's and Charities. The key insights from this were as follows.</p> <p>52% of charities reported feeling anxious that they will not be operating in 5 years with 55% of charities saying a reduction in donations is making it challenging to cover energy costs and 41% are reducing or changing the service they offer.</p> <p>76% of charities are looking to reduce their energy usage with 64% of charities cutting costs elsewhere. 57% of charities say the increase in bills is negatively impacting the service they offer to service users.</p> <p>60% of charities are worried that heating has become a luxury for some organisations however, the majority, 75% say the comfort of staff and service users is key to their business model and 37% would not be able to operate without gas.<sup>3</sup></p>
<b>Information Required</b>	<b>Description</b>
<b>Outcomes, Associated Actions and Success Criteria</b>	<p>The project with Groundwork Yorkshire will focus on six centres that have been identified as potentially eligible for capital grant funding to implement energy efficiency measures following a non-domestic energy survey. The survey will provide a summary of the building's fabric and services and energy usage with recommendations for energy and carbon saving measures which can include insulation, upgrades to the heating system, solar photovoltaic (PV) panels, LED lighting and will also include payback time for individual measures.</p> <p>Following a discussion of the recommendations the report will be used to apply for capital funding to install the recommended measures and many funding opportunities require an organisation to have had an energy report which has been carried out within two years of the funding application.</p> <p>Groundwork Yorkshire will guide the Centre for Warmth through the process from identifying which grants may be available based on location and income to supporting them with the completion of applications.</p>

<sup>3</sup> [The Energy Diaries - Cadent Gas Ltd](#)

	Whilst successful outcomes cannot be guaranteed it is expected that all centres will be able to make some changes which will decrease their energy costs.
<b>Project Partners and Third Parties Involved</b>	Groundwork Yorkshire.
<b>Potential for New Learning</b>	<p>If the project is successful in gaining external funding to make the centres more energy efficient Cadent will be evaluating the overall benefits namely the immediate and projected cost saving to the centre due to reduced utility bills. It will also be looking at an additional benefit to individuals who visit the centre as the expectation is the centres should be warmer and more comfortable for those attending.</p> <p>It should also provide a clearer indication of the process for accessing funding and the ratio of applications to positive decisions.</p>
<b>Scale of VCMA Project and SROI Calculations, including NPV</b>	<p>The SROI has been calculated using the GDN ENA Rulebook. A non-standard calculation has been done to incorporate activities which fall outside the rulebook for this project.</p>  <p>The screenshot shows a calculator interface for 'GDN - CFW energy'. It includes sections for Project information, Results, and Non-standardised activity inputs. The Results section shows a Cost (discounted) of £18,819.94, Customer volume of 12, GPV of £51,437.10, NPV of £32,617.16, and SROI of £1.73. The Non-standardised activity inputs section shows a Cost (discounted) of £13,819.94 and GPV of £26,038.95. Buttons for Calculate, Save, and Clear are visible.</p> <p>Energy efficiency advice training – 12 people</p> <p>Non-Standard</p> <p>Avoided carbon emissions from installing energy efficient lighting LED –6 centres  Annual bill savings from installing energy efficient lights LED - 6 centres  Annual bill savings from installing roof/loft insulation-6 centres  Annual bill savings from installing solar PV-6 centres  Avoided capital and installation costs of draught proofing-6 centres  Avoided costs of installing solar PV</p> <p>SROI Ratio: £1:£1.73</p>
<b>VCMA Project Start and End Date</b>	December 2025 to 31 <sup>st</sup> March 2026
<b>Geographical Area</b>	Northwest
<b>Internal governance and project management evidence</b>	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: 22/01/2026	Review Completed By: Amanda Jones
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 05/02/2026	Review Completed By: Emma Turnbull
Step 3: Director of Sustainability & Social Purpose Sign-Off: Philip Burrows	
Director of Sustainability and Social Purpose Sign-Off Date: 5 <sup>th</sup> February 2026	
Step 4: Upload PEA Document to the Website & Notification Email Sent to Ofgem ( <a href="mailto:vcma@ofgem.gov.uk">vcma@ofgem.gov.uk</a> )	
Date that PEA Document Uploaded to the Website: February 2026	
Date that Notification Email Sent to Ofgem: February 2026	