Cadent
Your Gas Network

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)

Alzheimer's Society

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April 2024

Updated April 2025

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: **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	Alzheimer's Society
Funding GDN(s)	Cadent specific project
Role of GDN(s) *For Collaborative VCMA Projects only	N/A
New/ Updated	Updated April 2025 – Amanda Jones
Date of PEA Submission	April 2024
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: £1,500,000.00 Project management (4%): £60,000.00 This project has changed to a collaborative with SGN and WWU so only half of the VCMA funding has been spent, the other half is going towards the collaborative project. **Updated costs** Project cost = £750,000.00 Project management (4%): £30,000.00 Calendars = £1,401.00
Total VCMA Funding Required (£k)	£1,560,000.00 **Updated April 2025 – Total amount reduced** £781,401.00
Problem(s)	Dementia currently affects 944,000 people and is projected to rise to 1.6 million by 2040. Alzheimer's is the most common form of dementia in the UK.[1] People with Alzheimer's spend on average 22 hours per day in their home, making them vulnerable to overconsumption of energy.[2] Furthermore, a new study states that people who live in poverty are significantly more likely to develop dementia compared to people of higher socioeconomic status, regardless of genetic risk. Understanding the link between poverty and dementia is therefore critical to developing effective strategies to prevent this condition by targeting services for this vulnerable group of people.[3] It is important to ensure this vulnerable group are registered on to the Priority Services Register (PSR) and their support networks are aware of CO signs and symptoms, and other safety apparatus such as locking

[1] Local dementia statistics | Alzheimer's Society (alzheimers.org.uk)
[2] Alzheimer's proposal document
[3] Poverty linked to increased dementia risk - Pen ARC (nihr.ac.uk)

	cooker valves which would give the vulnerable person greater independence by staying in their own home. The Alzheimers Society offer support to both those who suffer from dementia and those affected by dementia. They employ Community Dementia Advisors who offer face-to-face support to families navigating the complexities of this condition. Updated April 2025 Every year we partner with the Fire service to produce a calendar for people suffering with dementia. This has a different message every month covering carbon monoxide awareness, the PSR and gas safety. This is then distributed to customers living with dementia on our networks.
Scope and Objectives	Cadent will provide the Alzheimer's Society with VCMA funding to deliver a two-year project across all their networks. The Community Dementia Advisors (CDAs) will offer support and advice to families by: • Hosting focussed sessions on energy efficiency and gas safety, CO, and PSR at dementia cafes. • Offering tailored advice on benefits and energy in a home setting where required. • Providing advice on the PSR. • Sharing our messages across social media platforms. • The CDAs will provide face-to-face support to families navigating the complexities of dementia. • The Alzheimer's Society will also work with Energy Project plus to upskill the CDAs with bespoke training on energy efficiency, CO and the PSR. The VCMA funding will be used for the following: • Fund 20 advisors. • Upskill/train 200 dementia advisors including those who operate the phoneline. • Provide advice on benefit entitlement. • Raise awareness of CO. • To raise awareness of the benefits of being registered on the PSR. • Provide energy efficiency advice. • Offer free gas safety checks for people who are eligible. <u>Objectives of the project</u> The success of this project will be measured by meeting the following objectives over a two-year period: • 1,000 people will receive advice on income maximisation which will include benefit entitlement. • 15,000-20,000 people will receive advice on energy efficiency to help reduce consumption and costs through changes in behaviours. • 15,000-20,000 people will have an increased awareness of CO signs and symptoms. • 1,000-1,500 people will receive a CO alarm. • 15,000-20,000 people will have an increased awareness of the PSR and report reduced levels of anxiety in fearing a utility outage. As well as achieving the above forecasts for the number of clients benefitting from the project's services, the partnership will also deliver the following positive indicators:

	• Customers will report decreased levels of stress and financial worry due to improvements in the level of disposable household income. • Customers will report improved levels of comfort from being in their own home and able to heat it to a healthier temperature and having an increased awareness of energy efficiency measures and support. • Customers will report improved feelings of safety from receiving free CO alarms ,safety apparatus and improving their awareness on the signs, symptoms, and dangers of CO. • Customers will report feeling more secure and happy due to being safe and warm in their own home.
Why the Project is Being Funded Through the VCMA	**A.** Cadent believes that this project meets all the required VCMA eligibility criteria. **B. The project is forecasted to have a positive SROI.** *We believe this project has the deliverables necessary to create a positive social return on investment - see the below section for more details.* **C. The project will 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** *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.* **D. 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.* **E. 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 clients on this project is innovative and goes beyond BAU.* F. **Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved, or local) funding.** *This project will be delivered solely through Cadent's VCMA funding.*
Evidence of Stakeholder/Customer Support	Cadent 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. 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.

	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. 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. 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: • 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 act upon this customer insight and feedback, through supporting customers impacted by a downturn in their financial health. This will be achieved through offering services such as income maximisation and benefit entitlement check, energy efficiency advice and CO and PSR awareness to give a wraparound support service. The partnership with The Alzheimer's Society will enable Cadent to provide a holistic approach to supporting fuel poor residents who are living with dementia.
Information Required	**Description**
Outcomes, Associated Actions and Success Criteria	<u>Project Outcomes</u> The VCMA project will be delivered in partnership with The Alzheimer's Society and aims to support 15,000-20,000 people with benefit advice, carbon monoxide advice, energy efficiency advice and awareness of the PSR. The Alzheimer's Society project aims to achieve the following outcomes: • Advice to customers on topics including benefit entitlement checks and applications. • Energy efficiency advice and energy-saving hacks to reduce consumption and costs through changes in behaviours. • Raising awareness of CO signs and symptoms. • Providing customers with awareness of the Priority Services Register. <u>Associated actions</u> The Alzheimer's Society will utilise Cadent's VCMA funding to fund 20 additional CDAs and upskill/train 200 dementia advisors to support families living with dementia on:

	• Income maximisation and benefit entitlement. • Energy efficiency in the home. • CO signs and symptoms. • PSR awareness and support to register. • Onward referral where required. <u>Success criteria</u> The success of the project will be evaluated against the meeting of the project's objectives which include: • The project will reach between 15,000-20,000 people with tailored advice based on the customer's needs. • 1,000 customers will receive in-depth one-to-one advice on income maximisation. • 15,000-20,000 customers will receive advice on energy efficiency. • 15,000-20,000 customers will receive advice on CO to raise awareness. • 15,000-20,000 customers will receive advice on the benefits of the PSR. • 10,000 people will reached through social media on topics of CO, PSR and energy saving tips. This project will deliver a positive social return on investment. Updated April 2025 <u>Success criteria</u> The success of the project will be evaluated against the meeting of the project's objectives which include: • The project will reach between 7,000 - 10,000 people with tailored advice based on the customer's needs. • 500 customers will receive in-depth one-to-one advice on income maximisation. • 7,000 - 10,000 customers will receive advice on energy efficiency. • 7,000 - 10,000 customers will receive advice on CO to raise awareness. • 7,000 - 10,000 customers will receive advice on the benefits of the PSR. • 5,000 people will reached through social media on topics of CO, PSR and energy saving tips. <u>Actual Outcomes</u> • 5,726 customers have received in-depth one-to-one advice on income maximisation • 1,673 customers have received advice on energy efficiency. • 1,220 have received advice on CO to raise awareness • 141 customers have received advice on the benefits of the PSR and registering • 112 have been reached through social media on topics of CO, PSR and energy saving tips.
Project Partners and Third Parties Involved	This project will be delivered by The Alzheimer's Society and Cadent.
Potential for New Learning	Cadent has partnered with the UK's largest dementia charity, the Alzheimer's Society. This will provide Cadent with valuable insights into the vulnerable group of people who live within their networks. The Alzheimer's

	Society supports over 944,000 people living with dementia in the UK, with many of them residing in one of Cadent's areas. As one in three people will develop dementia in their lifetime, and one in two people will be affected by it, this partnership will be instrumental in helping people and supporting them during these challenging times. This collaboration will enable Cadent to increase their knowledge of the most successful ways to support families in these situations and the best methods to deliver their messages. Furthermore, it will enhance their understanding of the disease, which they can then share with their staff, ensuring they are better equipped when dealing with people living in these situations.
Scale of VCMA Project and SROI Calculations	<u>Scale of VCMA Project</u> Cadent and The Alzheimer's Society will enter an initial two-year project. The project aims to support between 15,000-20,000 households across the project area with a variety of support services, including income maximisation, energy efficiency, carbon monoxide safety, and PSR advice. The project's total reach will be divided as below: • 1,000 customers will receive advice on income maximisation • 15,000-20,000 customers will receive in-home energy efficiency advice • 15,000-20,000 customers will receive advice on the signs, symptoms and dangers of CO • 15,000-20,000 customers will receive a conversation that improves their awareness of the benefits of the PSR. • 10,000 reached on social media via Alzheimer's Blog with CO, Energy tips and PSR (applying a 3% retention rate equates to 300, which is included in the above figures for CO, PSR and energy efficiency and the overall reach). Total Investment = £1,560,000.00 Five Year SROI = £6,745,860.00 One Year SROI = £911,172.00 SROI = £4.32 **Updated April 2025** GDN Rulebook Latest Version Date: 10-09-2024 Project information: Name: Alzheimers society WACC: 4.97% Year of assessment: 2025 Start year of benefits: 2024 End year of benefits: 2025 Attribution: 0.00% Results: Cost (discounted): £717,067.56 Customer volume: 8984 GPV: £9,926,292.74 NPV: £9,209,225.17 SROI: £12.84 Non-standardised activity inputs: Cost (discounted): GPV: Calculate Save Clear Show Previous Years Cost 24 / 25 £752,705.82 Investment £781,401.00 One Year Gross Present Value = £1,661,172.00 Five Year Gross Present Value = £8,305,860.00

	SROI £12.84 The above calculation was carried out using actual data from the project delivery up until 31st March 2025. • 5,726 customers have received in-depth one-to-one advice on income maximisation • 1,673 customers have received advice on energy efficiency. • 1,220 have received advice on CO to raise awareness • 141 customers have received advice on the benefits of the PSR and registering • 112 have been reached through social media on topics of CO, PSR and energy saving tips.
VCMA Project Start and End Date	Start date: April 2024 End date: 31 March 2025
Geographical Area	This project will be delivered across all Cadent's networks and will assist people/ families living with or being affected by Dementia.

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: 12/03/2024	Review Completed By: Nicola Campbell
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 05/04/2024	Review Completed By: Gurvinder Dosanjh
Step 3: Director of Sustainability & Social Purpose Sign-Off: Mark Belmega	
Director of Sustainability and Social Purpose Sign-Off Date:	
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:	
Date that Notification Email Sent to Ofgem:	

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: 03/10/2025	Review Completed By: Kate Clarke
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 18/12/25	Review Completed By: Gemma Norton
Step 3: Director of Sustainability & Social Purpose Sign-Off: Phil Burrows	
Director of Sustainability and Social Purpose Sign-Off Date: 19/02/26	
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: February 2026	
Date that Notification Email Sent to Ofgem: February 2026	