

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)

Action for children: Protecting Families

Jo Giles – Customer Safeguarding Senior Manager

April 2024



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

gas applia	- Eligibility criteria for company-specific projects (other needed)	er than condemned essential		
	qualify as a VCMA project, a project must:			
VCMA Eligibility 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. ii. iii.	Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or Provide awareness on the dangers of CO, or	Yes		
c) Have defined outcomes and the associated actions to achieve these;				
d) Go beyond activities that are funded through other price control mechanism(s) or required through license obligations; and				
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) Eith 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	N/A		
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			

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).	N/A
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.	N/A

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; 	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	Protecting Families
Funding GDN(s)	Cadent Ltd
New / Updated (indicate as appropriate)	New Project Eligibility Assessment
Role of GDN(s) *For Collaborative VCMA Projects only	N/A
Date of PEA Submission	November 2024
VCMA Project Contact Name, email and Number	Jo Giles Jo.Giles@cadentgas.com 07775413482
Total Cost (£k)	£93,065.00

Total VCMA Project cost: £89.485.59 Funding Project Management cost: £3,579.42 Required (£k) Overall total = £93,065.00Last year, Action for Children supported 687,755 vulnerable children, young people and their families across the UK. Those right in the heart of communities that Cadent Problem(s) serves. We want to ensure they are living safe and happy lives, and we know there is more that can be done. Action for Children will work in partnership with Cadent to raise awareness of the Priority Services Register (PSR), carbon monoxide (CO) safety and energy efficient practices. **Priority Service Register** We know the PSR can be a vital lifeline for pregnant women and for families with young children. Yet only 42% of households with children under the age of five have heard of the PSR2. The PSR is a vital lifeline because: Having priority support when calling the network operator is incredibly useful for parents and carers looking after children under five, as young children require a lot of care so getting help fast is a lifeline. Receiving notifications about scheduled gas network engineering works means parents/carers can also plan around their children's needs. In an emergency, such as not having access to gas in the home, being registered on the PSR means families are far more likely to get help faster and therefore less likely to be negatively impacted. This allows families to keep their houses warm, wash their children using hot water and cook food for their children. All of this is vital to ensure a child's wellbeing so they can go onto thrive. Having priority support in an emergency therefore makes all the difference. Based on 42% of households with children under five not having heard of the PSR, there will be a significant portion of Action for Children service users (who are already highly vulnerable) going without the support they need in an emergency. **CO Safety and Energy Efficiency** In the UK, families are at great risk of living in fuel poverty. This means they are far

In the UK, families are at great risk of living in fuel poverty. This means they are far more likely to be cold and living in unsuitable conditions, with increased risk to poor health. Households in fuel poverty are also at greater risk to CO exposure. It is therefore vital families are educated on energy efficiency, so they can reduce the impact of living in fuel poverty and on CO safety, so they can reduce their risk of harm.

Families, and especially lone parent families, are identified as a high-risk group for living in fuel poverty. Research in England from 2022 shows 26.5% of all lone parent families are at risk of fuel poverty, which is twice the national average. 17.7% of couples with children are at risk of fuel poverty, with those with the youngest children at the most risk (20.4% of those with zero to four year-olds).

Furthermore, those who use prepayment meters are also more likely to be in fuel poverty, with 30.6% of households using prepay electricity meters and 27% of households using gas prepayment in fuel poverty³. This is most likely to affect

 $^{^{2} \}underline{\text{https://www.vulnerabilityregistrationservice.co.uk/80-of-uk-adults-have-never-heard-of-the-priority-services-register-new-research-reveals/<math>\#$: \sim :text=More%20specifically%2C%20the%20research%20highlighted,is%20not%20a%20new%20issue.

 $^{^3}$ https://theodi.org/insights/explainers/who-is-most-at-risk-of-fuel-poverty/#:~:text=17.7%25%20of%20couples%20with%20children%20are%20at%20risk%20of%20fuel,4%2Dyear%2Dolds).

families; families with children were six times as likely to have had a pre-payment meter installed in the six months between November 2022 and May 2023 – affecting 475,000 households⁴.

Fuel poverty can also have longer-term consequences. Children in cold homes are more than twice as likely to suffer from a range of respiratory problems compared to children living in warm homes. It can negatively impact a baby's growth and development. And can leave older children at greater risk of multiple mental health problems⁵.

Due to poorly maintained or ventilated appliances, households in fuel poverty are at an increased risk of CO exposure ^{6 7}. This means children and their families could be at fatal risk every day.

Summary

There is a significant lack of awareness of the Priority Services Register (PSR) among households with young children, resulting in many families not receiving the support they need during emergencies. These families are particularly vulnerable to fuel poverty and face life-threatening risks such as increased exposure to CO poisoning.

It is vital that this changes to ensure children and their families can live safe, healthy, and happy lives. By raising awareness and improving access to the PSR, we can work together to protect families and provide the essential support they deserve.

Scope and Objectives

The Aim of the Programme:

Cadent will deliver a 12-month project (1st December 2024 – 30th November 2025) in partnership with Action for Children.

The aim of the project is to raise awareness of the three following priority topics amongst parents and carers:

- 1) PSR
- 2) CO safety
- 3) Energy efficiency

This will be run through Action for Children's digital service – Parent Talk. A UK first, Parent Talk is an award-winning online platform, offering free advice for parents of children aged zeroc-19. Parents and carers can access expert written advice online 24/7 through Information, Advice and Guidance articles, and receive tailored one-to-one support from an Action for Children Parenting Coach. All content is accurate and reliable, written or curated by Action for Children's Parenting Coaches, based on their experience working with children, young people and their families.

^{4 &}lt;u>https://media.actionforchildren.org.uk/documents/Cost of children crisis briefing - Oct 2023 k4BFayp.pdf</u>

⁵ https://www.instituteofhealthequity.org/resources-reports/the-health-impacts-of-cold-homes-and-fuel-poverty/the-health-impacts-of-cold-homes-and-fuel-poverty.pdf

⁶ https://www.policyconnect.org.uk/media/3797/download

⁷ https://www.greenerpractice.co.uk/information-and-resources/health-inequalities/fuel-poverty/#:~:text=Indirect%20effects%20include%20mental%20health,poorly%20maintained%20or%20ventilated%20appliances.

In 2023/24, Parent Talk supported 468,786 parents and carers UK-wide. Parents are telling us that the service really helps:

- 95% of users rate the one-to-one service as 'good' or 'amazing' 84% of users find the advice on the website useful

Parent Talk therefore serves as a perfect platform to increase awareness of the three priority topics listed above.

Programme Breakdown:

The creation of three Information, Advice and Guidance articles

We would work with parents to co-develop this content. Using Cadent's expertise within the sector and Action for Children's expertise working with parents, carers and families, we can create content that is meeting the needs of parents and carers whilst also raising awareness of the three priority topics.

There will be associated marketing spend to ensure our articles reach as many people as possible, therefore having the greatest social return on investment. Knowing only 42% of households with children under the age of five are aware of the PSR, this isn't a topic that parents/carers will intuitively be searching for online or on Parent Talks. We will therefore embed PSR/CO safety/energy efficiency content within an article that will likely reach a parent/carer's attention. For example, an article on 'how to make your home safe for your family'.

The articles would cover topics such as:

- 1) How to register for the PSR and what to do in a gas emergency
- 2) CO safety advice to increase awareness and reduce the risk of harm
- 3) Energy efficiency advice to reduce energy consumption and maximise families' income

As Parent Talk is a UK-wide service, we would ensure marketing spend for the three articles is focused on geographic locations in Cadent's networks, using Cadent's Social Indicator Mapping Tool to identify specific areas of need. This will mean we attract more of Cadent's customers and families within your geographic areas. Over the 12-month period, these three information, advice and guidance articles would reach an estimated 30,000-47,000 children and their parents/carers UK-wide, but after this period the reach figure will grow. Beyond the 12-month period, each year, the articles will have an estimated reach of 5,540 children and their parents and carers. We will be leaving a lasting legacy.

Additional Impact and Reach

To ensure the reach aligns with the three priority topics, Cadent to run training on these areas with Action for Children's staff. This could include Parent Talk staff, as well as our service staff who work with families with children aged zero to five. This would help to ensure that our Parenting Coaches, Content Designers and frontline service staff are providing the most accurate and relevant support to families – signposting to the PSR, advising on energy consumption and energy efficient practices, as well as CO safety, where appropriate.

Our partnership will achieve even greater reach and impact for families too, via onthe-ground Action for Children service staff and Parent Talk staff who will have received training from Cadent on the three priority topics. Through the invaluable training that Cadent will provide our Parenting Coaches, they will be highly equipped to support thousands more parents/carers and their children beyond our 12-month partnership. This, coupled with the three information, advice and guidance articles, will leave a lasting legacy for years to come.

Why the Project is Being Funded Through the VCMA

The creation of three Information, Advice and Guidance articles, the marketing associated with them, and sharing them on Parent Talk directly links to Cadent's commitments through the VCMA. It helps Cadent in achieving the following RIIO2 Business commitments:

- One million customers provided with access to tools and advice to reduce their energy consumption and maximise their income.
- Form over 80 strategic programme and project partnerships that will help to extend our reach and positive social impact
- Lead nationwide education and awareness campaigns helping millions of customers reduce their risk of harm
- Educate 200,000 of those most at risk to the dangers of CO
- By 2026, to reach over one million customers with interventions to help them out of fuel poverty.

We believe that the project meets all of the Vulnerability and Carbon Monoxide Allowance eligibility criteria:

a. Have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project:

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.

b. Either:

- 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;

The project delivers outcomes that meets all three elements of the criteria. For example, through Parent Talk we will raise awareness of the PSR, CO safety and energy efficiency practices.

c. Have defined outcomes and the associated actions to achieve these:

Cadent and Action for Children will enter into a partnership that will contain project objectives and outcomes. Further details of these can be found in the 'Outcomes, Associated Actions and Success Criteria' section.

d. Go beyond activities that are funded through other price control mechanism(s) or required through license obligations, and,

This method of delivering support to customers in vulnerable situations falls outside of Cadent's BAU activities and other license conditions.

e. 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 solely delivered through Cadent's VCMA funding.

Evidence of Stakeholder/Cu stomer Support

they

Research Evidence

Priority Service Register

Only 42% of households with children under the age of five are aware of the PSR⁸, meaning families are not getting the free support and protection they need. Cadent highlight how they are constantly looking at ways to positively improve their processes to raise awareness of the PSR. With Parent Talk having reached 468,786 parents and carers UK-wide last year, Action for Children has a powerful platform to raise awareness and increase the number of registrations to the register for pregnant women and households with children under five.

Fuel Poverty and Material Deprivation

Action for Children has worked with the National Centre for Social Research (NatCen) to analyse UK government data on children growing up in material deprivation. Material deprivation means lacking access to essential items and activities, including a warm home, keeping up-to-date with bills and replacing broken electrical goods.

Key findings show:

- In 2021/22, there were 2.6 million children in the UK growing up in material deprivation meaning their families can't afford the items and activities considered essential to a happy and healthy childhood. That's almost one in five children (18%).
- Even before the worst of the cost-of-living crisis and energy price shock, there were 800,000 children in families that can't keep the house warm and 1.2 million children in families that can't keep up with bills.

Data shows children in material deprivation split by region (average for 2019/20 and 2021/22)⁹.

Four of the regions are the same or higher the UK's national average of 18%, suggesting the situation in the regions Cadent serves is particularly stark.

Region	Percentage of	Estimated number	
	children living in	of children living in	

⁸ https://www.vulnerabilityregistrationservice.co.uk/80-of-uk-adults-have-never-heard-of-the-priority-services-register-new-research-reveals/#:~:text=More%20specifically%2C%20the%20research%20highlighted,is%20not

^{%20}a%20new%20issue.
9 https://www.actionforchildren.org.uk/our-work-and-impact/policy-work-campaigns-and-research/policy-reports/going-without-almost-one-in-five-children-growing-up-deprived-of-the-basics/#children-are-significantly-more-likely-to-be-growing-up-materially-deprived-if-

	material	material
	deprivation	deprivation
North West	18	290,000
England		
West Midlands	23	300,000
East Midlands	13	130,000
East England	14	180,000
Yorkshire & The	23	270,000
Humber		
London	20	410,000

Although geographical boundaries vary slightly, there are an estimated 1.58 million children living in material deprivation in and around Cadent's Gas Distribution Networks. These children, and their families, are therefore more likely to not be able to keep their house warm and be in fuel poverty.

Furthermore, Action for Children analysis has shown that by almost every financial measure, families with children are among the hardest hit by the cost-of-living crisis.

Using data from the abrdn Financial Fairness Trust's Financial Impact Tracker (May 2023), we found that families with children were:

- More likely to have had a pre-payment meter installed. Families on pre-pay meters remain at risk of self-disconnection, where a lack of money to top up the meter causes it to cut out. This can cause severe financial and emotional distress¹⁰.
- Three times more likely to have fallen behind on bills (27% compared to 9%) and debt repayments (25% compared to 7%)¹¹.

Further evidence shows that families with children are also twice as likely to be 'fuel poor' as households without children, meaning the cost needed to heat their home would push them below the poverty line¹². It is therefore essential that families can understand more energy efficient practices to be able to afford to effectively heat their home.

Carbon Monoxide Safety

Evidence in this application has already shown families with children are more likely to be living in fuel poverty than those without. Further evidence shows links between fuel poverty and greater risk to CO poisoning.

Research from National Energy Action highlights that fuel poverty characteristics are present in homes recording elevated CO levels. There is therefore a call to join up fuel poverty and gas safety initiatives. It is shown to be critical that households are educated on their central heating systems and occupants on low incomes are supported to optimise use of these systems without compromising on energy affordability. National Energy Action's recommendation is for agencies to support integrated fuel poverty and CO safety initiatives, with a clear role of GDNs to support¹³.

With families at great risk of fuel poverty and therefore CO poisoning, it is vital we educate families to live more energy efficient and safe lives from the risk of CO poisoning.

https://media.actionforchildren.org.uk/documents/Cost of children crisis briefing -Oct 2023 k4BFayp.pdf

¹¹ https://www.actionforchildren.org.uk/our-work-and-impact/policy-work-campaigns-and-research/policy-reports/a-cost-of-children-crisis/

https://www.actionforchildren.org.uk/blog/what-is-the-cost-of-living-crisis/#:~:text=Families%20with%20children%20are%20also,line%20%2D%20as%20households%20without%20children.

¹³ https://www.coresearchtrust.org/assets/uploads/documents/NEA-Report.pdf

Feedback from Action for Children Frontline Staff

With 372 local services across the UK, our staff are deeply embedded in communities. We have received feedback from Action for Children's frontline service staff around barriers families face in relation to the PSR, energy efficiency and CO safety, as well as their understanding of these areas when supporting families.

Survey:

We conducted a survey with Action for Children's frontline service staff to understand their awareness and use of the PSR, energy efficiency and CO safety when supporting families. We had 72 responses and results show:

- Only 25% of Action for Children frontline staff had heard of the PSR.
- Only 7% of Action for Children frontline staff have ever signposted a family they work with to the PSR.
- Less than half (48%) of Action for Children frontline staff are confident talking to the families they work with about energy efficiency in their home.
- Less than half (45%) of Action for Children frontline staff are confident talking to the families they work with about CO in their home.

The survey results therefore highlight a need for support in the three key areas.

Quote

We spoke with staff around the need for support in relation to the PSR, energy efficiency and CO safety. Quotes have been included below:

"Many of the families we support on Parent Talk are vulnerable, living in or on the edge of poverty (and often in housing poverty). We provide integrated family support — addressing the direct challenges they are facing as a result of their circumstances but also all the other co-existing challenges that often exist alongside these, e.g. poor mental health, child development, access to education, family relationships and additional needs. We know from social listening and analysing search terms that parents are searching online for ways to baby proof their homes, what practical things (or baby admin) needs to be done after their baby is born and how to make their houses more energy efficient in order to reduce fuel bills. We would create three articles around these topics, encouraging signing up to the PSR, raise awareness of the dangers of and reduce the risk of harm caused by CO as well as energy efficiency tips." Rachael Gilthorpe, Parent Talk Lead

I think there is a lack of awareness of the PSR amongst our service users. Other factors to take into consideration are financial barriers to buying CO monitors (and a lack of understanding about the dangers of CO poisoning), knowing who to contact in a gas emergency and the cost implication of phoning for assistance. We work with a high number of families who have difficulties with reading or speaking English and require an interpreter. We also have a high proportion of families who live in rented accommodation and are unaware of how to access support if the property owner is not providing safety equipment to the required standard" Service Co-ordinator, working with families in the community.

"We'd say the main thing we've seen in regards to housing is about overcrowding, so multiple children sharing a single room or parents having to sleep in the living room to give children bedrooms. This is particularly the case with children with SEND as often they need their own safe spaces but under a certain age councils expect children to share a bedroom which means what the council assesses the need as and what the family feel the need is can vary significantly. We imagine with overcrowding the main issues would be poor air quality/ventilation.

We have also seen chats around moving into council housing but needing support to furnish or put carpet in. Often people are not in a position to be able to afford to do this which means that the house remains less energy efficient leading to higher bills. We imagine many of these also have the issue of older, less energy efficient, appliances" Family Support Coordinator and Training Lead

"The housing crisis is a central factor driving high and rising child poverty levels. A chronic shortage of affordable social housing, combined with an inadequate social security system that does not provide enough financial support to cover most private rents, means that many families in poverty live in poor quality housing, or are made homeless and forced into temporary accommodation like bed and breakfasts or hostels. Issues with overcrowding, mould, cold and poorly insulated homes and unscrupulous landlords are common. Children growing up in poor quality, cold homes are at a higher risk of a range of physical and mental health problems and are more likely to have worse educational outcomes. Providing parents with high quality guidance and signposting can have a tangible impact by ensuring their vulnerabilities are recognised by creditors, that they understand their rights and are empowered to challenge landlords that are not meeting their obligations, and that they are claiming all of the financial support they are entitled to."

Scott Compton, Senior Policy Advisor

Information Required

Description

Outcomes, Associated Actions and Success Criteria

Project Outcomes

The partnership with Action for Children expects to achieve the following outcomes throughout the 12-month period:

- Direct reach: 11,000 17,000 parents/carers
- o Indirect reach: 30,000 47,000 children, young people and their parents/carers

The articles would also be available on Parent Talk beyond the 12-month period but without the specific marketing for them.

Beyond the 12-month partnership, the articles have an estimated reach each year of:

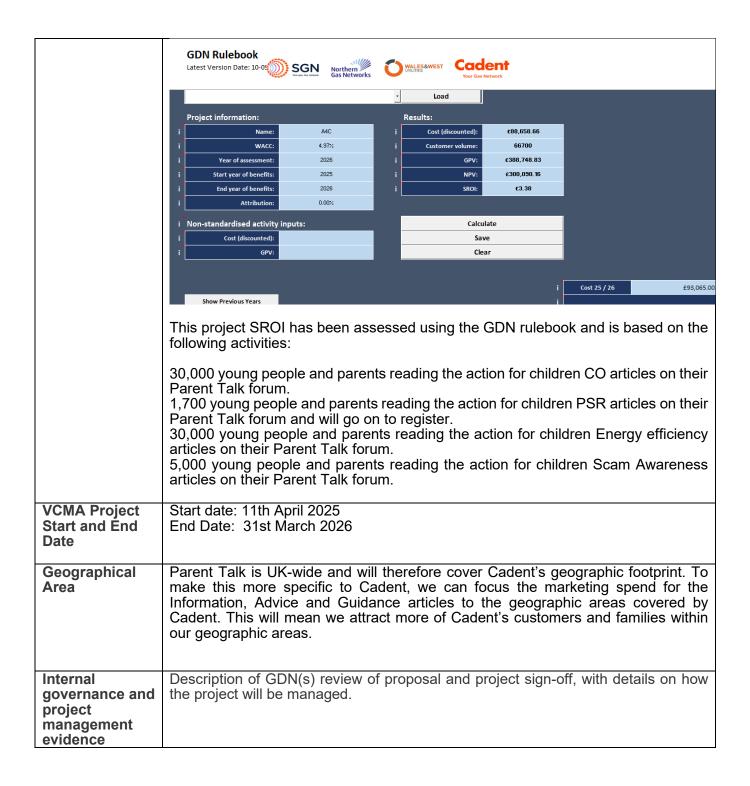
- 1. Direct reach: 2,000 parents/carers
- 2. Indirect reach: 5,540 children, young people and their parents/carers

We will therefore have a positive Social Return on Investment beyond our 12-month project. Cadent will leave a legacy benefiting children and families for years to come.

Associated Actions

- Create three Information, Advice and Guidance articles based on user need and Cadent VCMA priorities
- Develop pay-per-click and social advertisements to promote the three articles' content to relevant audiences
- Set up tracking on links to PSR and pages e.g. 'Where should I put my CO alarm?'
- Create and deliver evaluation and long-term impact for the Cadent: Protecting Families project

	Success Criteria	
	 At least 30,000 children and their parents/carers will benefit from the free Information, Advice and Guidance articles, and 80% will find the articles useful 	
	 10% of those who read the PSR article will click through to the PSR. 	
	o 60,000 parents and carers would see our Google search ads.	
	o 75,000 parents and carers would see our social ads and boosted posts.	
	 5,000 parents will be receiving Scams awareness advice. 	
Project Partners and Third Parties Involved	 5,000 parents will be receiving Scams awareness advice. Cadent will work in partnership with Action for Children to deliver the project. 	
Potential for New Learning	The opportunity to work with Action for Children will provide Cadent the chance to learn:	
	About the issues and challenges that vulnerable families are facing as a result of sharing headline insights and data on top themes from the one-to- one support provided by Parenting Coaches, Cadent will also have access to our annual Parent Talk policy report which could inform Cadent's future work to reach children and families.	
	The broad geographic locations (regions) where Information, Advice and Guidance articles are being accessed by parents and carers. We can share this information with you. This will help Cadent identify regions where education pieces are being received and where we are seeing a need for this information.	
	An effective way to communicate with parents and carers. At Action for Children, we have years of experience working with these groups. We could share effective communication methods based on user behaviour and insights. By doing so, these learnings will support Cadent with their Social Return on Investment on future projects with these demographic groups.	
Scale of VCMA	The project will produce a positive SROI as below	
Project and SROI Calculations, including NPV	SROI Ratio: £1: £3.38	



Gas Network Vulnerability and Carbon Monoxide Allowance (VCMA) Governance Document - PEA Control Table

Stage 1: Sustainability and Social Purpose Team PEA Peer Review

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.

9	 •	
		Review Completed By: Emma Turnbull

Date Immediate Team Peer Review Completed: 13/10/25		
Stage 2: Sustainability and Social Purpose Team Management Review		
Date Management Review Completed: 13/10/25	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: 13/10/25		
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: November 25		
Date that Notification Email Sent to Ofgem: November 25		