

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA) *Harrow Together*

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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 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;	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	Harrow Together - Centres for Warmth
Funding GDN(s)	Cadent company specific project
New / Updated (indicate as appropriate)	New
Role of GDN(s) *For Collaborative VCMA Projects only	Not applicable
Date of PEA Submission	May 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)	Centre costs: £336,000.00 Large slow cookers costs: 100 x £27.84 = £2,784.00 Plaque cost: 12 x £30.00 = £360.00 Leaflet costs: 12 x £1,763.64 = £21,163.68 Project management costs: £14,412.30
Total VCMA Funding Required (£k)	£374,719.98
Problem(s)	<p>Many boroughs such as Harrow are perceived as being wealthy and free from deprivation, due to the reputation of landmarks such as Harrow School. However, Trust for London's poverty profile for Harrow highlights that there are several households who have a low income and are struggling financially. In 2021/22, 23% the borough lived in households with an income of less than 60% of the UK median after housing costs have been subtracted - 31% of children in the borough live in these households.¹ While on a national scale, two of Harrow's Lower Super Output Areas are amongst the 20% most deprived in England.²</p> <p>Voluntary Action Harrow Co-operative reported that "at a school listening event at a local school in October 2023, parents stated housing to be of number one importance with it being notified of a lack of awareness in communities regarding damp and mould, carbon monoxide, ventilation and energy use. There were a number of the community in older properties that have not been properly maintained, with poor ventilation systems which didn't function well."</p> <p>Many individuals are being pushed further into fuel poverty. Being in fuel poverty means that these individuals are more susceptible to carbon monoxide (CO) poisoning, being in financial difficulties, and various physical</p>

¹ <https://trustforlondon.org.uk/data/boroughs/harrow-poverty-and-inequality-indicators/?tab=work>

² <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>

	<p>and mental- health related issues. Alongside this, minoritised communities such as in Harrow often face language and cultural barriers which pose challenges to accessing relevant information, resources and advice for support.</p> <p>Harrow Together is a consortium working to strengthen the voluntary & community sector. The charity aims to maximise opportunities and funding to grow voluntary and community sector services and activities in Harrow through innovation and collaboration - enabling and empowering local communities so that individuals live healthier, sustainable, and resilient lives. Harrow Giving (HG) is the public engagement and grant making side of Harrow Together. HG funds, supports and empowers a range of diverse small and micro-organisations to make a positive difference in the lives of Harrow residents. Without this support many of these organisations would struggle to exist and therefore support vulnerable individuals.</p>
<p>Scope and Objectives</p>	<p><u>Project scope</u></p> <p>Cadent will invest £374,719.98 of VCMA funding to deliver a project from May 2024 to March 2026, in partnership with Harrow Together.</p> <p>The project will replicate other Centre for Warmth models, whereby specialist advisors are trained and employed using VCMA funding to enable essential information and support on income maximisation, carbon monoxide (CO) safety, energy efficiency advice and the priority services register (PSR). Cadent's VCMA funding will enable Harrow Together to build on its support and increase the capacity and capability of selected voluntary and community organisations.</p> <p>Cadent will fund Harrow Together to coordinate the delivery of 12 Centres for Warmth, led by small and micro voluntary or community organisations. Each organisation in the partnership will contribute its own set of unique skills, expertise, and established relationships. Via Harrow Giving, Harrow Together will build on the success of its Warm Hub project where community-based organisations provide a space and activities that will appeal to individuals and bring them together. Meanwhile, individuals can access essential advice and support.</p> <p>Harrow Together will commission a local advice agency through a competitive process. The advice worker (s) will be mobile and provide advice sessions at the established Centres for Warmth and other community spaces which would benefit from the service. The advice worker(s) will provide:</p> <ul style="list-style-type: none"> • Advice on income maximisation and debt management, and the Priority Services Register. • One-to-one advice sessions at the established Centres for Warmth and other community spaces which would benefit from the service. • Workshops at the centres on a relevant subject of interest. <p>The established Centres for Warmth will:</p> <ul style="list-style-type: none"> • Run ongoing community events and activities that will attract local individuals, with a particular focus on the more vulnerable residents and those in areas of high deprivation. • Host the advice worker(s). • Be provided with funding, material, resources and training so that their staff and volunteers can provide CO safety, energy efficiency and Priority Services Register advice.

	<ul style="list-style-type: none"> ● Host slow cooker classes and teach individuals how to cook affordable, healthy and energy efficient meals (as applicable). <p>In comparison to other one-to-many Centres for Warmth projects, one of the main characteristics of this project is that these centres are small and micro-organisations. The centres have a core audience, who consistently attend the centre and the centres provide various types of ongoing support to these individuals throughout the year. Therefore, due to their size, audience and the varied demand of some services such as income maximisation advice, while all 12 centres still require support via the project, they do not require full-time resource, which is why this model is best suited. These factors are also reflected in the overall reach of the project, where typical 'project objective figures' are less applicable.</p> <p><u>Project Objectives:</u></p> <p>Cadent will measure the success of the project against the achievement of the following objectives:</p> <ul style="list-style-type: none"> ● To generate a positive social return on investment - see the below relevant section for more details. ● Reach 1,800 individuals over the course of the project - individuals at risk of loneliness and isolation will receive general support through the Centres for Warmth. ● 1,440 individuals will receive energy efficiency advice including advice on ways to save on energy consumption and costs. ● 100 individuals will receive slow cooker advice and learn how to cook affordable, healthy and energy efficient meals. ● 3,040 individuals will receive advice about the PSR, with the aim to sign-up 304 eligible individuals to the register. ● 1,440 individuals will receive CO education to improve their CO safety awareness and the most at-risk households will also receive a CO alarm. ● 1,600 individuals will receive income maximisation advice on a range of topics including money budgeting and debt management
<p>Why the Project is Being Funded Through the VCMA</p>	<p>We believe that the project meets all of the Vulnerability and Carbon Monoxide Allowance eligibility criteria:</p> <ol style="list-style-type: none"> a. Have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project: <p><i>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 and education on carbon monoxide. More information can be found in the relevant section below.</i></p> b. Either: <ol style="list-style-type: none"> i. Provide support to consumers in Vulnerable Situations and relate to energy safeguarding, or,

	<p>ii. Provide awareness of the dangers of CO, or, iii. Reduce the risk of harm caused by CO;</p> <p><i>The project delivers services that meet all three elements of this criteria. For example, the specialist advisors will help households maximise their income, enabling residents to afford the cost of heating their home to an adequate level. The project will also raise awareness of the dangers of CO and promote registration to the PSR.</i></p> <p>c. Have defined outcomes and the associated actions to achieve these:</p> <p><i>Cadent and Harrow Together have entered into a service agreement that will contain the project objective and actions. Further detail can also be found below.</i></p> <p>d. Go beyond activities that are funded through other price control mechanism(s) or required through licence obligations, and,</p> <p><i>This method of delivering support to individuals in vulnerable situations falls outside of Cadent's BAU activities and other licence conditions.</i></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><i>This project will be solely delivered through Cadent's VCMA funding.</i></p>
<p>Evidence of Stakeholder/Customer Support</p>	<p>Cadent conducted extensive stakeholder and customer research in May 2022 following the completion of RIIO-GD2 year one and again after year two.</p> <p>The aim of the research was to assess customer/stakeholder opinion on Cadent's allocation of VCMA spend and gain insight on where we should direct VCMA funding in the future. The results of our research studies, including our Energy Diaries thought leadership programme are available to view on the Cadent website. However, we've captured some of the key evidence below:</p> <ul style="list-style-type: none"> • 61% of stakeholders (the highest proportion by individual category) supported Cadent increasing its VCMA allocation on projects aimed at tackling fuel poverty. • Over 70% of customers are concerned about the level of their energy costs • Very few customers understand their energy bill • Less than 20% of customers feel as though they understand the range of support opportunities that they may be entitled to • There is very low trust associated with energy companies <p>Since then, Cadent has worked with over 40 strategic partners to continually feed into our strategic thinking and project prioritisation (in support of customers in vulnerable situations). The Centres for Warmth initiative has proven a huge success and receives excellent feedback from charities such as National Energy Action and Age UK.</p> <p>In February 2024, the Department for Energy Security & Net Zero published a fuel poverty factsheet which summarises the headline estimates of fuel poverty in England in 2023. It found that 10.2% of households in London were classified as fuel poor, with rising energy prices moving 238,000 households in England into fuel poverty. Energy efficiency measures lifted 112,000 households out of fuel poverty between 2022 and 2023 and rising incomes (although offset by rising housing costs) moved 128,000 out of fuel</p>

	<p>poverty. A household's fuel poverty status depends on the interaction of energy efficiency, income and energy prices. Since inception, the Centres for Warmth model has focused on tackling fuel poverty by enabling energy efficiency advice and income maximization support, amongst other areas.</p> <p>This project takes this evidence into account by creating a partnership with a trusted local charity, while enabling the delivery of specialised support linked to fuel poverty.</p>
<p>Information Required</p>	<p>Description</p>
<p>Outcomes, Associated Actions and Success Criteria</p>	<p>The project will form part of Cadent's wider Centres for Warmth network and aims to reach up to 1,800 individuals. The Centre for Warmth project model relies on the provision of VCMA funding, materials and resource to a community centre located in an area of high deprivation, fuel poverty, and carbon monoxide risk. These provisions will enable the community centres to expand their existing support for individuals living in vulnerable situations.</p> <p><u>Project Outcomes</u></p> <p>The project aims to achieve the following outcomes:</p> <ul style="list-style-type: none"> • Individuals will report increased levels of household income. • Individuals will report an increased awareness on the dangers of CO and have a reduced risk of harm caused by CO. • Provide support to lonely and isolated residents, ensuring that they can access the community centre and the services it offers - tackling loneliness and isolation. • Provide individuals with energy efficiency advice and individuals will report a better awareness of energy efficiency measures and support. • Individuals will report reduced levels of anxiety in fearing a utility outage and increased awareness of the PSR • Individuals will report an increased knowledge of cooking on a budget, healthy cooking, and use of a slow cooker to save on energy. <p><u>Associated Actions</u></p> <p>The following associated actions will be implemented to deliver the project's outcomes:</p> <ul style="list-style-type: none"> • Harrow Together will utilise a portion of the funding to commission a local advice agency to provide an advice worker (s). • The advice worker (s) will be mobile and provide advice sessions at the established Centres for Warmth and other community spaces which would benefit from the service. • Cadent will provide energy efficiency, PSR and CO training, and resources to the Centres for Warmth and advisor (s). This will enable individuals to receive advice and support related to the project's key deliverables. • The training, expertise and resources provided by Cadent will be utilised by the centres • Individuals will attend the centres and engage with the centre's advisors, the mobile advice worker (s) and relevant referral partners. <p><u>Success Criteria</u></p> <p>The success of the project will be measured against meeting the below criteria:</p> <ul style="list-style-type: none"> • The project will recruit and establish 12 fixed Centres for Warmth.

	<ul style="list-style-type: none"> • The project will reach 1,800 individuals over the project period - individuals at risk of loneliness and isolation will receive general support through the Centres for Warmth. • 1,440 individuals will receive energy efficiency advice including advice on ways to save both on energy consumption and costs. • 100 individuals will receive slow cooker advice and learn how to cook affordable, healthy and energy efficient meals. • 3,040 individuals will receive advice about the PSR, with the aim to sign up 304 eligible individuals to the register. • 1,440 individuals will receive CO education to improve their CO safety awareness, and the most at-risk households will also receive a CO alarm. • 1,600 individuals will receive income maximisation advice on a range of topics including money budgeting and debt management.
Project Partners and Third Parties Involved	<p>Cadent will work in partnership with Harrow Together</p>
Potential for New Learning	<p>Across more than a few years, individuals have been increasingly affected by the various socioeconomic and political challenges in the UK. Every area has seen households suffering from fuel poverty and low-income.</p> <p>Therefore, community organisations, including Cadent’s Centres for Warmth partners have been under increased pressure to meet the growing demand to support vulnerable individuals.</p> <p>This project provides Cadent with the opportunity to understand the changing and continuing needs of communities and how to best support them with overcoming these challenges. Each area also has issues specific to the community being served and these are dealt with differently – including Harrow.</p> <p>To help improve the impact of projects, Cadent will continue to listen to their partners to try to improve the support and services provided to vulnerable individuals and enable opportunities for cross network learning to ensure best practise is identified, transferred and implemented.</p>
Scale of VCMA Project and SROI Calculations	<p><u>Scale of VCMA Project</u></p> <p>Cadent will invest £374,719.98 in partnership with Harrow Together. The project will be delivered from May 2024 to March 2026 and is forecasted to reach up to 1,800 individuals.</p> <p>The project will enable vulnerable individuals in the London Borough of Harrow to access essential information and support on energy efficiency, CO safety, income maximisation, and the PSR.</p> <p><u>SROI Calculations</u></p> <p>The reach will be divided as per below:</p> <ul style="list-style-type: none"> • 1,600 individuals will receive in-depth on-to-one advice on income maximisation = £2,747,376.00 • 1,440 individuals will receive advice on energy efficiency = £529,588.80 • 1,440 individuals will receive awareness advice on CO = £12,571.20 • 304 individuals will register to the PSR = £43,742.56 • 100 individuals will receive advice on slow cooking and a free slow cooker = £23,642.00

	<ul style="list-style-type: none"> 207 individuals will attend the centre to help alleviate isolation and loneliness = £124,200.00 <p>Total Investment = £374,719.98</p> <p>Five-year gross present value = £3,543,220.56 One-year gross present value = £795,584.11</p> <p>Five-year net value = £3,168,500.58 One-year net value = £545,770.79</p> <p>SROI Ratio = £1:8</p>
VCMA Project Start and End Date	Start date: 13 th May 2024 End date: 31 st March 2026
Geographical Area	The project will be delivered in Cadent's North London Network, in the London Borough of Harrow

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: 07/05/2024	Review Completed By: Emma Turnbull
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 04/06/2024	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: 10/07/24	
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 24	
Date that Notification Email Sent to Ofgem: December 24	