

## Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)  
*Centres for Warmth – Family Action, Fuel Your Finances*

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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>
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"> <li>i. Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or</li> <li>ii. Provide awareness on the dangers of CO, or</li> <li>iii. Reduce the risk of harm caused by CO;</li> </ul>	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
<b>Section 2 - Eligibility criteria for company specific essential gas appliance servicing, repair and replacement projects</b>	
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
<b>Section 3 - Eligibility criteria for collaborative VCMA projects</b>	
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	Centres for Warmth - Family Action, Fuel your Finances
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	July 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: £248,029.00 Large slow cookers costs: 500 x £27.84 = £13,920.00 Plaque cost: 10 x £30.00 = £300.00 Leaflet costs: 10 x £1,470.00 = £14,700.00 Project management costs: £11,077.96
Total VCMA Funding Required (£k)	£288,026.96
Problem(s)	<p><a href="#">Family Action</a> is a national charity that transforms lives by providing practical, emotional and financial support to families who are experiencing poverty, disadvantage and social isolation. The charity has been building stronger families since 1869, and today work with over 60,000 families through 160 community-based services, supporting children and families at all stages of life. Their services tackle some of the most complex and difficult issues facing individuals today, such as those outlined in the Office for National Statistics, cost of living insights overview.<sup>1</sup> Most the individuals and communities they support live in low income and vulnerable households.</p> <p><u>FOOD Clubs</u></p> <p>Family Action launched their Food on Our Doorstep (FOOD) Clubs to provide good-quality food at a low cost, for low income and vulnerable individuals experiencing food insecurity. The model is a community membership scheme whereby individuals pay an annual membership fee of £1, which allows them to purchase a bag of healthy, varied food worth £10- £15 for just £3.50- £4 each week.</p> <p>Family Action deliver 40 FOOD Clubs across the UK. Each club opens once or twice a week, and they are hosted within local community centres and venues in areas of high deprivation such as Tower Hamlets and Mansfield. In</p>

<sup>1</sup> <https://www.ons.gov.uk/economy/inflationandpriceindices/articles/costofliving/latestinsights>

	<p>Tower Hamlets 48% of children live in poverty <sup>2</sup> and Mansfield district falls within the top 15% of most deprived areas within the country.<sup>3</sup> Family Actions approach is to work closely with local community partners to establish FOOD Clubs in areas of high deprivation and need, with the aim of supporting individuals through:</p> <ul style="list-style-type: none"> <li>• providing regular access to good-quality food at a low cost</li> <li>• signposting and encouraging individuals to access other local support services</li> <li>• increasing disposable income for individuals, improving their life chances and wellbeing</li> <li>• reducing food waste and edible food being sent to landfill.</li> </ul> <p>However, FOOD Clubs aim to provide support beyond just food provision and therefore Family Action fundraise to provide a holistic support service. For example, they deliver LifeSkills sessions to support with employability skills, and ‘Food and Mood’ sessions which raise awareness of the link between food and mental health. Family Action have reported that “Across Family Action’s services, we are seeing more and more people struggling with fuel poverty alongside food insecurity. Staff at our FOOD Clubs are increasingly hearing that members are having to make tough decisions about whether to heat their homes or feed their families. Some families have asked for foods that don’t need cooking or have returned items with longer cooking times as they are too worried about costs. One family told us they could not afford to replace their broken cooker.”</p> <p>For the last two years, the UK’s economic and social conditions have forced many individuals to live precariously and put individuals at risk of even greater levels of poverty and deprivation. Likewise, fuel poverty has become a significant issue. Living in fuel poverty makes these individuals more susceptible to carbon monoxide (CO) poisoning, prolonged financial difficulties, and various physical and mental health-related problems.</p>
<p><b>Scope and Objectives</b></p>	<p><u>Project scope</u></p> <p>Cadent will invest £288,026.96 of VCMA funding to deliver a partnership project from September 2024 to March 2026, in partnership with Family Action. The project will replicate other Centre for Warmth models, whereby Cadent provides VCMA funding, resource, and training to enable the delivery of vital information and support on income maximisation, carbon monoxide (CO) safety, energy efficiency, and the Priority Services Register (PSR) within a community setting. As part of this, highly skilled advisors will be trained to deliver this advice and support, alongside Family Actions existing FOOD Clubs.</p> <p>As priority areas within Family Action and Cadent’s network, this project will be first trialled at FOOD Clubs in Mansfield and Tower Hamlets/Aldgate – where Family Action are part of the Feeding Mansfield network and the Tower Hamlets Tackling Poverty network. The project will be delivered in Mansfield and Tower Hamlets/Aldgate and will enable Cadent’s VCMA funding to support individuals in communities that Family Action serve, where full-time resources are not required to be directly appointed into a single centre. Family Action will work closely with community centres and venues to enable FOOD Club members and other vulnerable individuals in the local community to access</p>

<sup>2</sup> <https://trustforlondon.org.uk/data/child-poverty-borough/>

<sup>3</sup> <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>

advice and support from the centres. Ten core community centres will act as “Centres for Warmth”. While accessing advice and support, individuals will be in a safe, warm and welcoming space.

Advice and support will be delivered via a wide range of drop-in/group sessions, as well as one-to-one support. The activities offered will vary from setting to setting depending on the characteristics of the community audiences and community settings. Project staff will work closely with FOOD Clubs, community partners and the wider community to design and plan a series of activities and events that meet local needs and demand. Support will also be offered outside of standard FOOD Club hours, to cater to various timetables. For example, weekend and evening one-to-one sessions will be available.

### **Example of activities**

#### *Carbon monoxide safety drop-in*

Delivery method: A drop-in table will be set up next to the entrance. Staff will welcome individuals as they go into the FOOD Club, spending 5-10 minutes with an individual explaining why they are there, providing key information, highlighting dangers, handing out leaflets and CO Alarms, explaining the benefits and answering any questions.

#### *Slow cooker group demonstration*

Delivery method: An interactive demonstration for FOOD Club members highlighting energy efficiency and financial savings and providing easy/budget friendly recipes that individuals can make at home using typical items found in the FOOD Club bags.

#### *One-to-one income maximisation support*

Delivery method: Tailored one-to-one support sessions for individuals to maximise their finances including help and advice with reducing energy use, saving money on energy bills, household budgeting, accessing financial support e.g. benefits/grants/discount schemes, signposting to useful organisations and local support services.

Funded by the VCMA and recruited by Family Action, the core delivery team will consist of:

- **A Project Manager**

Responsible for:

- Coordinating project delivery across Mansfield and Tower Hamlets/Aldgate,
- Line managing and training the advisors to ensure that they have the knowledge, capacity and direction required to support individuals on topics such as CO safety, energy efficiency, income maximisation and the PSR, distribute leaflets and provide resources such as CO alarms (as applicable).
- Liaising with local community centres, venues and partners
- Collating and reviewing project data

- **Four part- time mobile advisors (two based in Mansfield and two based in Tower Hamlets/Aldgate)**

Responsible for:

- Delivering advice and support on income maximisation, CO safety, energy efficiency, and the PSR
- Delivering slow cooker sessions to increase skills, knowledge and confidence around cooking and healthy eating in an energy efficient way
- Supervising and supporting volunteers
- Collecting project data

- **Volunteer advisors**

	<p>Responsible for:</p> <ul style="list-style-type: none"> <li>○ Initially supporting delivery, then gradually progressing to leading advice and support sessions in order to increase the reach of the project and build their skills, experience and confidence</li> </ul> <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"> <li>● To deliver and co-ordinate ten Centre for Warmth</li> <li>● Reach 4,050 individuals over the course of the project - individuals at risk of loneliness and isolation will receive general support through the Centres for Warmth.</li> <li>● 4,050 individuals will receive energy efficiency advice including advice on ways to save on energy consumption and energy bills.</li> <li>● 500 individuals will receive slow cooker advice and learn how to cook affordable, healthy and energy efficient meals.</li> <li>● 4,050 individuals will receive advice about the PSR, with the aim to sign up 300 eligible individuals to the register.</li> <li>● 4,050 individuals will receive CO education to improve their CO safety awareness and the most at-risk households will also receive a CO alarm.</li> <li>● 4,050 individuals will receive income maximisation advice on a range of topics including money budgeting and debt management</li> </ul>
<p><b>Why the Project is Being Funded Through the VCMA</b></p>	<p>We believe that the project meets all of the Vulnerability and Carbon Monoxide Allowance eligibility criteria:</p> <p><b>a. Have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project:</b></p> <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> <p><b>b. Either:</b></p> <ul style="list-style-type: none"> <li>i. <b>Provide support to consumers in Vulnerable Situations and relate to energy safeguarding, or,</b></li> <li>ii. <b>Provide awareness of the dangers of CO, or,</b></li> <li>iii. <b>Reduce the risk of harm caused by CO;</b></li> </ul> <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><b>c. Have defined outcomes and the associated actions to achieve these:</b></p> <p><i>Cadent and Family Action have entered into a service agreement that will contain the project objective and actions. Further detail can also be found below.</i></p> <p><b>d. Go beyond activities that are funded through other price control mechanism(s) or required through licence obligations, and,</b></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><b>e. Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding,</b></p> <p><i>This project will be solely delivered through Cadent's VCMA funding.</i></p>
<p><b>Evidence of Stakeholder/Customer Support</b></p>	<p>Connecting with various stakeholders and research helps Cadent to understand what customers and stakeholders want and expect, what's important, what services are required and how we can provide those services in the most effective way.</p> <p><u>Cadent Gas Vulnerability Research</u></p> <p>In June 2024, Cadent part released the research findings from an investigation into fuel poverty gas behaviour, cost of living attitudes, concerns and behaviours and other key areas. Some of the key findings were:</p> <ul style="list-style-type: none"> <li>• Tackling the cost-of-living crisis is a top priority for the fuel-poor</li> <li>• People in poverty prioritise addressing immediate needs over long-term planning to cope with stressors they experience at present</li> <li>• Knowledge of CO is a key driver for behaviour</li> </ul> <p><u>Centres for Warmth</u></p> <p>In June 2024, Cadent's Centres for Warmth team hosted their annual Share the Vision webinar, to bring together its Centres for Warmth partners. It provided an opportunity to explore ideas to develop the Centres for Warmth project, based on existing centre challenges, learnings and successes. As part of this, partners were asked "What more do you think Cadent can do to support the project?". Support with food poverty and insecurity were commonly highlighted, with one respondent stating "Support around the wider issues of food poverty. Food poverty is a byproduct of bigger issues."</p> <p><u>The Current Climate</u></p> <p>In February 2024, the Department for Energy Security &amp; Net Zero published a fuel poverty factsheet which summarises the headline estimates of fuel poverty in England, 2023. It found that 13% of households in England 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 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><u>Local Authority Stakeholder feedback</u></p> <p>During the project development stage, Family Action sought input from local stakeholders within the areas that the project will be based. Dominic Ayton, Health and Wellbeing Team Leader, Mansfield District Council stated "The fact we have a higher proportion of households in fuel poverty than the regional and national average shows the need to tackle fuel poverty. I am more than happy to support an application. We currently operate a Fuel Bank which issues fuel vouchers to residents. In terms of gaps, I would say someone to offer advice in settings and link people up to organisations such</p>

	<p>as National Energy Action, Nottingham Energy Partnership, Direct Help and Advice and Citizens Advice where they can get support with fuel. I also think some residents need support with speaking with energy providers who they have approached for help and are being turned away.”</p> <p>Collectively, the evidence suggests there is a demand and benefit to implementing this project model in partnership with Family Action, in order to support individuals in vulnerable situations.</p>
<p><b>Information Required</b></p>	<p><b>Description</b></p>
<p><b>Outcomes, Associated Actions and Success Criteria</b></p>	<p><u>Project Outcomes</u></p> <p>The project aims to achieve the following outcomes:</p> <ul style="list-style-type: none"> <li>• Individuals will report increased levels of household income– increasing income (and/or reduced debt) and reducing financial pressures and stress, leading to improved mental health and wellbeing</li> <li>• Individuals will report an increased awareness on the dangers of CO and have a reduced risk of harm caused by CO.</li> <li>• Provide support to lonely and isolated individuals, ensuring that they can access the community centre and the services it offers - tackling loneliness and isolation.</li> <li>• Individuals will report increased awareness of and engagement with other local support services</li> <li>• Provide individuals with energy efficiency advice and individuals will report a better awareness of energy efficiency measures and support.</li> <li>• Individuals will report reduced levels of anxiety in fearing a utility outage and increased awareness of the PSR</li> <li>• Individuals will report an increased knowledge of cooking on a budget, healthy cooking, and use of a slow cooker to save on energy.</li> </ul> <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"> <li>• Low income and vulnerable individuals will report increased levels of household income through working with the four advisors and volunteers</li> <li>• Individuals will report reduced levels of anxiety in fearing a utility outage through be assisted to register to the PSR. The advisors will provide awareness about the PSR and will help eligible individuals through the registration process.</li> <li>• Individuals will report an increased awareness about energy safeguarding, gas safety and the dangers of CO, and have a reduced risk of harm caused by CO. This will be achieved through the advisors providing CO awareness conversations and distributing CO alarms to the most at-risk households.</li> <li>• Individuals will report an increased knowledge of cooking and eating in an energy efficient and healthy way by using a slow cooker - attending slow cooking classes</li> <li>• Individuals will report a better awareness of energy efficiency measures and the need for changes in behaviours. This will be achieved through the advisors providing energy efficiency advice to individuals.</li> <li>• Individuals will report an improvement in their mental health as a result of attending the centres and engaging in sessions.</li> <li>• The advisors will utilize the training, expertise and resources provided by Cadent</li> </ul>



	<ul style="list-style-type: none"> <li>• Project staff will work closely with FOOD Clubs, staff, members and the wider community to design and plan a series of activities that meet local needs and demand.</li> <li>• Family Action FOOD Clubs will continue to work closely with local community partners in order to facilitate project delivery and enable access to advice and support e.g. using their venues, signposting members to other local support services.</li> <li>• To support local capacity building, Family Action will also build the capacity and skills of staff/volunteers within other organisations to be able to deliver key energy messages to those they support through local services.</li> </ul> <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"> <li>• The project will reach 4,050 individuals over the project period - individuals at risk of loneliness and isolation will receive general support through the Centres for Warmth.</li> <li>• 4,050 individuals will receive energy efficiency advice including advice on ways to save both on energy consumption and costs.</li> <li>• 500 individuals will receive slow cooker advice and learn how to cook affordable, healthy and energy efficient meals.</li> <li>• 4,050 individuals will receive advice about the PSR, with the aim to sign up 300 eligible individuals to the register.</li> <li>• 4,050 individuals will receive CO education to improve their CO safety awareness, and the most at-risk households will also receive a CO alarm.</li> <li>• 4,050 individuals will receive income maximisation advice on a range of topics including money budgeting and debt management.</li> </ul>
<p><b>Project Partners and Third Parties Involved</b></p>	<p>Cadent will work in partnership with Family Action</p>
<p><b>Potential for New Learning</b></p>	<p>By linking Family Action’s Food Clubs project with the Centres for Warmth initiative, this project provides Cadent with the opportunity to further understand the approaches that can be taken to support the wider issues of food poverty as a byproduct, and how this works hand-in-hand with Cadent’s other key areas of support. The delivery approach and outcomes of the project can be used to support other Centre for Warmth projects, help to understand the benefits and challenges associated with similar approaches and inform the development of future VCMA projects.</p> <p>Also, one of the key enabling factors of the project is that Family Action will work closely with multiple local community partners and stakeholders. Therefore, the project may also help to highlight the extensive role that collaborative partnerships play in supporting individuals in vulnerable situations.</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>
<p><b>Scale of VCMA Project and SROI Calculations</b></p>	<p><u>Scale of VCMA Project</u></p> <p>Cadent will invest £288,026.96 in partnership with Family Action. The project will be delivered from September 2024 to March 2026 and is forecasted to reach up to 4,050 individuals.</p>

	<p>The project will enable vulnerable individuals in the London Borough of Tower Hamlets and Mansfield Town to access essential information and support on energy efficiency, CO safety, income maximisation, and the PSR via Family Actions FOOD Clubs and wider network.</p> <p><u>SROI Calculations</u></p> <p>The reach will be divided as per below:</p> <ul style="list-style-type: none"> <li>• 4,050 individuals will receive in-depth one-to-one advice on income maximisation = £6,954,295.50</li> <li>• 4,050 individuals will receive advice on energy efficiency = £1,489,468.50</li> <li>• 4,050 individuals will receive awareness advice on CO = £35,356.50</li> <li>• 300 individuals will register to the PSR = £43,167.00</li> <li>• 500 individuals will receive advice on slow cooking and a free slow cooker = £118,210.00</li> <li>• 465 individuals will attend the centres and be alleviated from isolation and loneliness = £418,500.00</li> </ul> <p>Total Investment = £288,026.96</p> <p>Five-year gross present value = £9,058,997.50  One-year gross present value = £2,007,099.50</p> <p>Five-year net value = £8,770,970.54  One-year net value = £1,815,081.53</p> <p>SROI Ratio = £1:£30</p>
<p><b>VCMA Project Start and End Date</b></p>	<p>Start date: 1<sup>st</sup> September 2024  End date: 31<sup>st</sup> March 2026</p>
<p><b>Geographical Area</b></p>	<p>The project will be delivered in Cadent's network - North London, London Borough of Tower Hamlets and East Midlands, Mansfield Town</p>

## 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: 6/8/2024	Review Completed By: Amanda Jones
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 11/09/2024	Review Completed By: Gurvinder Dosanjh
Step 3: Director of Sustainability & Social Purpose Sign-Off: Phil Burrows	
Director of Sustainability and Social Purpose Sign-Off Date: 18/10/24	
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: November 24	
Date that Notification Email Sent to Ofgem: November 24	