

## Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)  
*Barking Churches Unite, The Source -  
Centres for Warmth*

Lucy Nembaware – Safeguarding and Community  
Partnership Lead



## 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
<b>Project Title</b>	Barking Churches Unite, The Source - Centres for Warmth
<b>Funding GDN(s)</b>	Cadent company specific project
<b>New / Updated (indicate as appropriate)</b>	New
<b>Role of GDN(s) *For Collaborative VCMA Projects only</b>	Not applicable
<b>Date of PEA Submission</b>	May 2024
<b>VCMA Project Contact Name, email and Number</b>	Name: Phil Burrows Title: Head of Customer Vulnerability Social Programme Delivery Email: Phil.m.burrows@cadentgas.com Number: 07773 545451
<b>Total Cost (£k)</b>	Centre costs: £110,000.00 Large slow cookers costs: 300 x £27.84 = £8,352.00 Plaque cost: 3 x £30.00 = £90.00 Leaflet costs: £1,470.00 Project management costs: £4,796.48
<b>Total VCMA Funding Required (£k)</b>	£124,708.48
<b>Problem(s)</b>	<p>Based on various measures, Barking and Dagenham is one of London's most deprived boroughs. The Indices of Multiple Deprivation (IMD) 2019, ranked the borough as the 21st most deprived local authority area in England (out of 317) and almost 50% of children are growing up in poverty.<sup>1</sup> Barking Town is one of the three main towns in the borough and consists of wards that have neighbourhoods within the 10-30% most deprived in the country.<sup>2</sup></p> <p>The UK's current economic and social climate has resulted in residents living life precariously and more residents are at risk of even greater levels of poverty and deprivation. Likewise, 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 and mental-health wellbeing related issues.</p> <p>Barking Churches Unite (BCU) is a Charitable Incorporated Organisation based in Barking that provides individuals with relief from poverty, disadvantage, isolation and homelessness in the borough. This is delivered via "The Source" which consists of multiple projects based at three sites: the Vicarage Field Shopping Centre, the Barking Learning Centre and the Source Warehouse. There, individuals can access a range of services from financial advice to food support and, a warm space. The work of "The Source" has grown significantly in line with the needs and demands of the borough and</p>

<sup>1</sup> <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>

<sup>2</sup> <https://www.lbbd.gov.uk/council-and-democracy/statistics-and-data/deprivation-barking-and-dagenham>

	BCU requires resources to adapt and expand its services and provisions to support individuals in crisis.
<p><b>Scope and Objectives</b></p>	<p><u>Project scope</u></p> <p>Cadent will invest £124,708.48 of VCMA funding to deliver a project from May 2024 to March 2026, in partnership with Barking Churches Unite (BCU).</p> <p>The project will replicate the traditional Centre for Warmth model, whereby Cadent provides VCMA funding, resource, and training to a community centre to enable the provision of essential information and support on income maximisation, CO safety, energy efficiency advice and the priority services register (PSR).</p> <p>BCU will use the funding to provide a range of services to local individuals living in vulnerable situations. BCU will:</p> <ul style="list-style-type: none"> <li>• Employ a part-time Operations Director who will coordinate a focus on Cadent activities. The Operations Director will act as a project manager and ensure that the key elements of the project are incorporated across all of BCU centres, They will also ensure that staff have the knowledge, capacity and direction required to provide individuals with CO safety, energy efficiency and PSR advice, distribute leaflets, make income maximisation referrals and provide resources such as CO alarms (<i>as applicable</i>) to people living in a vulnerable situation.</li> <li>• Employ a part-time advisor who will be based at The Source Warehouse site. The advisor will provide advice to individuals who visit the site for household support and provide additional advisory home visits. Due to the nature of the support provided at this location, the advisor will specialise in providing CO advice and CO alarms but will also offer advice on energy efficiency and the PSR via one-to-one conversations and distribute leaflets.</li> <li>• Host a minimum of eight community events across the duration of the project. Individuals will receive support through attending the themed events that are hosted at the centres. The events will enable the provision of CO safety, energy efficiency and PSR advice, income maximisation referrals and resources such as CO alarms (<i>as applicable</i>).</li> <li>• Deliver slow cooking classes and distribute slow cookers to individuals, promoting the cooking method as affordable, energy efficient and healthy. This work will complement other activities run from the Wellbeing Centre, which operates from the Vicarage Field Shopping Centre.</li> <li>• Increase the working hours of existing staff in order to enable the delivery and coordination of the community events and slow cooking classes (including slow cooker distribution).</li> </ul> <p><u>Project Objectives:</u></p> <p>The project has several objectives that its success will be measured against:</p> <ul style="list-style-type: none"> <li>• To generate a positive social return on investment - see the below relevant section for more details.</li> <li>• 2,750 individuals will receive energy efficiency advice including advice on ways to save both on energy consumption and costs through behaviour changes, energy saving measures, alternative tariffs and accessing available discounts and services.</li> <li>• 300 individuals will receive slow cooker advice and learn how to cook affordable, healthy and efficient meals.</li> </ul>

	<ul style="list-style-type: none"> <li>• 2,750 individuals will receive advice about the PSR, with the aim to sign up 187 eligible individuals to the register.</li> <li>• 2,250 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>• Individuals will receive income maximisation support on a range of topics including money budgeting and debt management via referrals – 200 internal referrals will be made.</li> <li>• Individuals at risk of loneliness and isolation will receive general support through the Centre for Warmth</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> <p><b>i. Provide support to consumers in Vulnerable Situations and relate to energy safeguarding, or,</b></p> <p><b>ii. Provide awareness of the dangers of CO, or,</b></p> <p><b>iii. Reduce the risk of harm caused by CO;</b></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><b>c. Have defined outcomes and the associated actions to achieve these:</b></p> <p><i>Barking Churches Unite 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 customers 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>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 "Energy Diaries" research piece</p>



	<p>demonstrated that customers continue to support the key measures that we identified when developing our RIIO-2 plan. Some of the key highlights were:</p> <ul style="list-style-type: none"> <li>• 61% of stakeholders (the highest proportion by individual category) supported Cadent increasing its VCMA allocation on projects aimed at tackling fuel poverty.</li> <li>• Over 70% of customers are concerned about the level of their energy costs</li> <li>• Very few customers understand their energy bill</li> <li>• Less than 20% of customers feel as though they understand the range of support opportunities that they may be entitled to</li> </ul> <p>Since, Cadent has worked with various stakeholders to feed into our strategic thinking and project prioritisation (in support of customers in vulnerable situations).</p> <p>In February 2024, the Department for Energy Security &amp; Net Zero published a fuel poverty factsheet summarising the headline estimates of fuel poverty in England, 2023. It found that 10.2% of households in London were classified as fuel poor last year, 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. Since inception, the Centres for Warmth model has focused on tackling fuel poverty by enabling energy efficiency advice and income maximisation support.</p> <p>Therefore collectively, the evidence suggests there is a demand and benefit to implementing the Centres for Warmth project model in partnership with Barking Churches Unite 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>The project will form part of Cadent's wider Centres for Warmth network and aims to reach up to 2,750 individuals with a range of services. 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 centre to expand its existing support services.</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.</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 residents, ensuring that they can access the community centre and the services it offers - tackling loneliness and isolation.</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>BCU will implement the following associated actions to deliver the project's outcomes:</p> <ul style="list-style-type: none"> <li>• Centre staff will all receive Cadent training on the PSR, CO safety, and energy efficiency from their Cadent Centre for Warmth lead.</li> <li>• Centre staff will have awareness conversations about the PSR and will help eligible households through the registration process.</li> <li>• Centre staff will have CO awareness conversations and distribute CO alarms to the most at-risk households.</li> <li>• The centre will coordinate slow cooking classes and the distribution of slow cookers.</li> <li>• Centre's staff will provide energy efficiency advice to individuals.</li> <li>• BAU will utilise the training, expertise and resources provided by Cadent.</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>• It will generate a positive social return on investment - see the below relevant section for more details.</li> <li>• 2,750 individuals will receive energy efficiency advice including advice on ways to save both on energy consumption and costs through behaviour changes, energy saving measures, alternative tariffs and accessing available discounts and services.</li> <li>• 300 individuals will receive slow cooker advice and learn how to cook affordable, healthy and efficient meals</li> <li>• 2,750 individuals will receive advice about the PSR, with the aim to sign up 187 eligible individuals to the register</li> <li>• 2,250 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>• Individuals will receive income maximisation support on a range of topics including money budgeting and debt management via referrals – 200 internal referrals will be made</li> <li>• Individuals at risk of loneliness and isolation will receive general support through the Centre for Warmth</li> </ul>
<p><b>Project Partners and Third Parties Involved</b></p>	<p>Cadent will work in partnership with Barking Churches United (BCU)</p>
<p><b>Potential for New Learning</b></p>	<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 individuals living in vulnerable situations. 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 Barking.</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 individuals living in vulnerable situations. This will enable opportunities for cross network learning to ensure best practise is identified, transferred and implemented.</p>
	<p><u>Scale of VCMA Project</u></p>

<b>Scale of VCMA Project and SROI Calculations</b>	<p>Cadent will invest £124,708.48 in partnership with Barking Churches Unite (BCU). The project will be delivered from May 2024 to March 2026 and is forecasted to reach up to 2,750 individuals.</p> <p>The project will enable individuals in Barking and close surrounding areas 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"> <li>• 2,750 individuals will receive advice on energy efficiency = £1,011,367.50</li> <li>• 2,250 individuals will receive awareness advice on CO = £19,642.50</li> <li>• 187 individuals will register to the PSR = £26,907.43</li> <li>• 300 individuals will receive advice on slow cooking and a free slow cooker = £70,926.00</li> <li>• 201 individuals will attend the centre to help alleviate isolation and loneliness = £221,100.00</li> </ul> <p>Total Investment = £124,708.48</p> <p>Five-year gross present value = £1,349,943.43  One-year gross present value = £346,368.69</p> <p>Five-year net value = £1,225,234.95  One-year net value = £278,345.88</p> <p>SROI Ratio = £1:10</p>
<b>VCMA Project Start and End Date</b>	<p>Start date: 13<sup>th</sup> May 2024  End date: 31<sup>st</sup> March 2026</p>
<b>Geographical Area</b>	<p>The project will be delivered in Cadent's North London Network, supporting communities in Barking.</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: 03.05.24	Review Completed By: Shelley Snow
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 21.07.24.	Review Completed By: Guv Dosanjh
Step 3: Director of Sustainability & Social Purpose Sign-Off: Mark Belmega	
Director of Sustainability and Social Purpose Sign-Off Date: 28/08/24	
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: December 24	
Date that Notification Email Sent to Ofgem: December 24	