

# Vulnerability & Carbon Monoxide Allowance (VCMA)

## Project Eligibility Assessment (PEA) *Climate Genie*

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January 2022*

**Updated**  
*Shelley Snow  
December 2024*



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

<b>Section 1 - Eligibility criteria for company specific projects (excluding boiler repair &amp; 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 Social Return on Investment (SROI), including the potential to have a Net Benefit to the customers on the funding GDN's network(s);	<b>Yes</b>
b) Either: <ul style="list-style-type: none"> <li>i. Provide a direct Net Benefit to consumers in vulnerable situations, or</li> <li>ii. Provide awareness on the dangers of CO, or</li> <li>iii. Reduce the risk of health issues caused by CO;</li> </ul>	<b>Yes</b>
c) Have defined outputs and deliverables;	<b>Yes</b>
d) Have defined outcomes, where considered appropriate by the GDN;	<b>Yes</b>
e) Relate to energy, or CO safety;	<b>Yes</b>
f) Go beyond activities that are funded through another price control mechanism or required through licence obligations; and	<b>Yes</b>
g) Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding.	<b>No</b>
<b>Section 2 - Eligibility criteria for company specific boiler repair and replacement projects</b>	
Condemned boiler repairs or replacements are eligible as VCMA projects where:	
a) A GDN has to isolate and condemn an unsafe boiler following a supply interruption or as part of its emergency service role;	<b>N/A</b>
b) The household cannot afford to repair or replace the boiler, and;	<b>N/A</b>
c) Sufficient funding is not available from other sources (including national, devolved or local government funding) to fund the boiler repair or replacement.	<b>N/A</b>

<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;	<b>N/A</b>
b) Have the potential to have a direct Net Benefit to customers on the participating networks; and	<b>N/A</b>

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>	Climate Genie
<b>Funding GDN(s)</b>	Cadent
<b>Role of GDN(s) *For Collaborative VCMA Projects only</b>	N/A
<b>Date of PEA Submission</b>	January 2022  <b>Updated December 2024</b>
<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>	£100,000.00  <b>Updated December 2024</b> Project Costs: £325,593.00 Fun Kids Costs: £7,000.00 Leaflet Costs: £1,412.00 Project Management Costs: £13,360.20
<b>Total VCMA Funding Required (£k)</b>	£50,000.00  <b>Updated December 2024</b> Total Costs: £397,365.20
<b>Problem(s)</b>	<p>Every year there are around 40 deaths caused by carbon monoxide in England and Wales. This means that in any given year, c.30 Cadent customers may die through an incident related to CO.</p> <p>There is relatively low awareness of the causes and consequences of CO poisoning, and this is in part demonstrated by the proportion of homes that still do not have a CO alarm installed.</p> <p>CO alarm ownership across Cadent's networks is between 60%-70%.</p> <p>Whilst it is important to have CO alarms in your homes, it is also important to educate people of the dangers of CO and how people can keep themselves and their families safe. This includes raising awareness of:</p>

	<ul style="list-style-type: none"> <li>• Annual gas appliances services</li> <li>• Understanding the signs and symptoms of CO</li> </ul> <p>Children are at much greater risk of being affected sooner by CO poisoning because they breathe faster than adults and therefore show the signs of CO much quicker and become very poorly.</p> <p>Over the last 5 years we have provided educational awareness classes to primary school children through two separate initiatives:</p> <ul style="list-style-type: none"> <li>• Safety Seymour (ages 6-7yrs)</li> <li>• The CO Crew (ages 9-11yrs)</li> </ul> <p>Both programmes have and continue to be successful however we also acknowledge that one style doesn't necessarily suit all learning and educational styles.</p>
<p><b>Scope and Objectives</b></p>	<p>Working with Climate Genie (financially contributing partner) we have created an educational package centred around Minecraft. The package is played online through a world within the game and is made of various individual "modules" and "mini games" that focus on raising awareness of CO.</p> <p>Participants will learn about how CO is made, where it comes from, what the signs and symptoms are and how to stay safe. The game and various units have been trialled through the creation of a children's panel involving school children between the ages of 7 and 14.</p> <p>We are looking at targeting areas of deprivation and CO hotspot areas to ensure that we get the most positive reach for our customers.</p> <p>We are planning to have a soft launch into schools during the academic year of 2021/22 to reach the following:</p> <p>2021/22 500 children          2022/23 1000 children          2023/24 2000 children          2024/25 3000 children          2025/26 4000 children</p> <p>The sessions will have an option to be led by the teacher or utilising an educational specialist either online or in person. The children will learn at their own pace throughout the module of each game and will have an in-game journal to complete with key learning activities that they have picked up within the game.</p> <p>The hope and expectation is that the students will then act as ambassadors to their parents, grandparents and family members spreading the learning that they have picked up from the sessions on CO.</p> <p><b><u>Updated December 2024</u></b>          After a successful phase one, Skewb Climate and Fun Kids Radio aim to reach 108,030 children throughout the</p>

	<p>duration of the project, educating them on CO, energy efficiency, road safety and money management.</p> <p>To increase engagement, in addition to the rollout within schools, Skewb will utilise our partnership with Centres for Warmth across our network, to reach the most vulnerable children within deprived areas. We will also partner with Fun Kids Radio, which is a well-established platform engaging over two million children and parents each month. Fun Kids will use adverts to promote the dangers of CO and drive children to the game store to play the game.</p> <p>Improvements have been made to the previous game following feedback sessions, the addition of further modules are in development and the game has been made more accessible, with a single player version now available to download at home.</p>
<p><b>Why the Project is Being Funded Through the VCMA</b></p>	<p>The CO school education programs directly reduce the likelihood of customers becoming ill or dying from CO related incidents. We have demonstrated the value delivered through educational programmes in RIIO-1 and this project will ensure we reach even more of our customers in RIIO-2 and in an alternative way. This project also falls well within the governance document and requirements set out below:</p> <p>We believe that the project meets all the Vulnerability and Carbon Monoxide Allowance eligibility criteria:</p> <ul style="list-style-type: none"> <li>a. <b>Have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project:</b></li> </ul> <p><i>The project delivers a positive forecasted social return on investment. This is based on achieving the target reach for education on CO and energy efficiency. More information can be found in the relevant section below.</i></p> <ul style="list-style-type: none"> <li>b. <b>Either:</b> <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> </li> <li>c. <b>Have defined outcomes and the associated actions to achieve these:</b></li> </ul> <p><i>Cadent and Skewb Climate 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>Evidence of Stakeholder/Customer Support</b></p>	<p>Following the creation of the children's panel, we sought feedback on the mine craft sessions that they had tested and received the main points that we wanted to get over were well received including, symptoms, spotting the signs and how to stay safe.</p>

	<p><b><u>Updated December 2024</u></b> Based on the previous phase recommendations for change include a single player module accessible for home learning and expansion of the platform to include additional modules, covering key life lessons such as, energy efficiency and money management.</p>
<p><b>Outcomes, Associated Actions and Success Criteria</b></p>	<p>This programme will reach around 500 school children in the first year and then increasing each year. Each of the participants will then be able to share their learning and experience with their family and friends. Using a simple calculation of each child/participant then raising awareness to a further 2.4 people. This will equate to around 1200 people in the first year.</p> <p>There has been extensive research conducted which demonstrates that adults are more likely to take positive action (or change) when their child (or grandchild) asks them to (rather than other adults, even those seen as experts in their field).</p> <p><b><u>Updated December 2024</u></b> The success of this project is based on the below criteria:</p> <ul style="list-style-type: none"> <li>• 100,080 children will receive CO education, increasing awareness of the dangers around CO, including better understanding of the signs and symptoms within the home.</li> </ul> <p>The above will be delivered as per the below split;</p> <ul style="list-style-type: none"> <li>○ 92,130 children will be reached via the Fun Kids platform. This has been calculated of 49.9% of the total reach of 329,700 minus the retention rate of 32% for the first radio burst. An assumption has then been applied to the second and half burst that half of those listeners will be 'fresh ears'.</li> <li>○ 1,950 children will be educated utilising our Centres for Warmth partnership.</li> <li>○ 6,000 children will be educated via school's programme.</li> </ul> <ul style="list-style-type: none"> <li>• 7,950 children will receive energy advice, covering how to reduce bills within the home and energy consumption.</li> <li>○ 6,000 children will be educated via school's programme.</li> <li>○ 1,950 children will be educated utilising our partnership with Centres for Warmth.</li> </ul>
<p><b>Project Partners and Third Parties Involved</b></p>	<p>We are working with Climate Genie and they are matching Cadent's investment of VCMA.</p> <p><b><u>Updated December 2024</u></b> Skewb Climate Fun Kids Radio</p>



	Centres For Warmth
<b>Potential for New Learning</b>	<p>We will be able to understand if using an alternative and innovative approach to educating on CO.</p> <p><b><u>Updated December 2024</u></b>            Cadent will continue to understand the impact of alternative innovative technologies and update them accordingly to help improve the impact of their projects, through listening to their partners and actioning the valuable feedback from child lead panels to continually offer a tailored approach and meet the most vulnerable needs.</p>
<b>Scale of VCMA Project and SROI Calculations</b>	<p>The social return on investment has been calculated based on the reduction of A&amp;E visits, hospital stays, deaths, ambulance visits and time lost from not being able to work. The detailed calculation will be provided upon request.</p> <p>Based on a conservative forecast of around 2,000 children per year being reached over the remaining 4 years of the price control (8,000 equates to £111,714 (gross) SROI over 4 years -£50,000 (design and implementation costs) £61,714.92 (gross).</p> <p><b><u>Updated December 2024</u></b>            Based on the updated proposed reach of 108,030 children over the duration of the project please see the social return below.</p> <ul style="list-style-type: none"> <li>• 100,080 children will be educated on CO =£873,698.40</li> <li>• 7,950 children will be educated on energy efficiency = £2,923,771.50</li> </ul> <p>Total Investment = £397,365.20</p> <p>Five-year gross present value = £3,797,469.90            One-year gross present value = £759,493.98</p> <p>Five-year net value = £3,401,573.18            One-year net value = £709,493.98</p> <p>SROI Ratio = £1:8.50</p>
<b>VCMA Project Start and End Date</b>	<p>Start date: 1<sup>st</sup> January 2022            End Date: 31<sup>st</sup> March 2023</p> <p><b><u>Updated December 2024</u></b>            Start date: September 2024            End date: March 2026</p>
<b>Geographical Area</b>	Across all our networks
<b>Remaining Amount in the Allowance at Time of Registration</b>	N/A

## 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: N/A	Review Completed By: N/A
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 31/01/2025	Review Completed By: Gemma Norton
Step 3: Head of Customer Vulnerability Social Programmes Sign-Off: Phil Burrows	
Head of Customer Vulnerability Social Programmes Sign-Off Date: 31/01/2025	
Step 4: Upload PEA Document to the Website & Notification Email Sent to Ofgem (vcma@ofgem.gov.uk)	
Date that PEA Document Uploaded to the Website: February 2025	
Date that Notification Email Sent to Ofgem: February 2025	