

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)
Bedfordshire and Luton Community Foundation

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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	Bedfordshire and Luton Community Foundation
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	August 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: £198,000.00 Large slow cookers costs: 500 x £27.84 = £13,920.00 Plaque cost: 6 x £30.00 = £180.00 Leaflet costs: 6 x £1,763.64 = £10,581.84 Project management costs: £8,907.27
Total VCMA Funding Required (£k)	£231,589.11
Problem(s)	<p>Bedfordshire encompasses a range of areas that fall within the top 10% and 20% of deprivation nationwide:</p> <ul style="list-style-type: none"> • Luton is ranked as the 70th most deprived out of 317 local authorities, with four areas, Northwell, South, and Farley, falling within the top 10% most deprived.¹ • Within Bedford Borough, four Lower-layer Super Output Areas (LSOAs) are among the 0 -10% most deprived areas nationally on the Index of Multiple Deprivation. Additionally, ten LSOAs are within the 10-20% most deprived, and eleven are within the 20-30% most deprived.² • Three Central Bedfordshire LSOAs are in the 10 to 20% most deprived in England- Dunstable Manshead, Parkside and Flitwick.³ <p>The poverty and deprivation which exists in the county has created economic insecurity, isolation and marginalisation. Living in these circumstances make</p>

¹https://www.luton.gov.uk/Community_and_living/Lists/LutonDocuments/PDF/observatory/jsna-this-is-Luton.pdf

² <https://www.bedford.gov.uk/your-council/statistics-and-census-information/indices-deprivation-2019/index-multiple-deprivation>

³https://www.centralbedfordshire.gov.uk/info/27/about_your_council/180/statistics_and_census_information/3#:~:text=Three%20Central%20Bedfordshire%20LSOAs%20are,Flitwick%20400

	<p>these individuals more susceptible to fuel poverty, carbon monoxide (CO) poisoning and various physical and mental health-related problems.</p> <p>Bedfordshire and Luton Community Foundation (BLCF) is the leading local grant maker in Bedfordshire known for their ground-breaking initiatives, investment in local charities, and relationships with local grassroots groups. Part of their aim is to eradicate poverty in Bedfordshire, help create a healthy county that grow stronger communities. A partnership project with Cadent will enable the charity to inject VCMA funding into six community organisations in Bedfordshire and support them with the success of the project. The organisations will be able to develop and expand their service provisions to support the most disadvantaged individuals and communities in the county - providing essential information and support on income maximisation, carbon monoxide (CO) safety, energy efficiency and the priority services register (PSR).</p>
<p>Scope and Objectives</p>	<p><u>Project scope</u></p> <p>Cadent and BLCF will work in partnership to deliver a Centres for Warmth project, using £231,589.11 of VCMA funding. The project will replicate other Centre for Warmth models whereby Cadent provides VCMA funding, resource, and training to provide vital information and support on income maximisation, CO safety, energy efficiency, and the PSR.</p> <p>The project will be delivered across six Centres for Warmth, the three unitary authority areas in Bedfordshire (Luton, Bedford, Central Bedfordshire), with a focus on the most deprived areas. BLCF will develop and manage a “Cadent Centres for Warmth Fund” for organisations to apply to. The six successful organisations will be funded to implement a creative "Centres for Warmth" programme and become part of the network. Each of the funded organisations within the project will bring various skills, experiences, and trusted relationships with Bedfordshire's diverse communities.</p> <p>Using part of the allocated VCMA funding, BLCF will serve as the Programme Manager for the project. BLCF will manage all following aspects of the programme across Bedfordshire and its due diligence including:</p> <ul style="list-style-type: none"> • Development of key criteria for the fund application and application forms. • Marketing and promotion of programme • Management of all enquiries • Management of all financial awards • Management of application process • Due diligence checks • Provision of reports and data as agreed with Cadent • Performance reviews <p>The Centres for Warmth will shape their initiatives around the following aims:</p> <ul style="list-style-type: none"> • Providing free welcoming safe spaces targeting vulnerable individuals affected by the rising cost of living, loneliness, and isolation, offering opportunities to socialise and participate in activities. • Developing creative educational and delivery models for individuals and groups focusing on debt management, money maximization, energy efficiency, carbon monoxide, and gas safety advice. • Hosting a series of community events to ensure residents have access to appropriate services and local support. • Educating individuals on the benefits of the Priority Services Register (PSR) and supporting eligible individuals to sign up through free consultations.

	<ul style="list-style-type: none"> • Providing training for staff and volunteers to support project sustainability. • Creative energy themed slow cooker classes. <p>To deliver the project, the centres will either utilise existing staff and volunteers and/or employ new members of staff, if required. The centres will use a mixed method approach to support individuals - provide one-to-one and group conversations, distribute leaflets, and raise PSR, energy efficiency and CO awareness through themed social media posts.</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. • The centres will use a variety of methods to support individuals - provide one-to-one and group conversations, distribute leaflets, and promote wider awareness on the PSR, CO and energy efficiency through sharing themed social media posts to their digital audiences. It is expected the partners will work to maximise their reach and engagement within their audience. • Reach 6,000 individuals over the course of the project - individuals at risk of loneliness and isolation will receive general support through the Centres for Warmth. • Individuals will receive CO education to improve their CO safety awareness. – 1,500 via one-to-one/group conversations and 4,500 via leaflets. 1,200 at-risk individuals will also receive a CO alarm • Individuals will receive in-home energy efficiency advice – 1,200 via one-to-one/group conversations and 2,400 via leaflets • 500 individuals will receive a slow cooker and learn how to cook affordable, healthy and energy efficient meals. • Individuals will receive advice about the PSR- 1,500 via one-to-one/group conversations and 4,500 via leaflets, with the aim to sign up 420 eligible individuals to the register • 1,200 individuals will receive income maximisation advice on a range of topics including money budgeting and debt management – external referrals will also be made as relevant.
<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> <p>a. Have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project:</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 CO. More information can be found in the relevant section below.</i></p> <p>b. Either:</p> <ol style="list-style-type: none"> 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; <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</i></p>

	<p><i>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 BLCF 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>Through engagement and research with various stakeholders, Cadent gains a better understanding of client and stakeholder needs and expectations, what is important, what services are needed and how to deliver them most effectively. This project aims to tackle many of the challenges presented by stakeholders/ customers, as key focus areas to support individuals living in vulnerable situations.</p> <p>Centres for Warmth Our Centres for Warmth partners continue to feed into the development of the Centres for Warmth initiative. Therefore, when considering a new project key learnings are fed into project – this includes the successes and obstacles faced by the existing Centres for Warmth. In 2024, the project continues to receive positive feedback from various stakeholders and its successful elements will be carried forward in this project.</p> <p>Cadent Gas Vulnerability Research 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"> • Tackling the cost-of-living crisis is a top priority for the fuel-poor. • People in poverty prioritise addressing immediate needs over long-term planning to cope with stressors they experience at present. • Knowledge of CO is a key driver for behaviour. <p>The Energy Diaries and the current climate In 2022, Britain Thinks and Cadent conducted 'The Energy Diaries' research programme, designed to both explore experiences of the Cost-of-Living crisis, and to co-create ideas and solutions to help address the unprecedented increase in the cost of living, especially around increases in household energy costs. Many of the challenges and concerns highlighted in the report, are still relevant today.</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, 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</p>

	<p>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 launching, the Centres for Warmth model has always focused on tackling fuel poverty by enabling energy efficiency and income maximisation advice, amongst other areas. This project will continue to honour that, as there is a continued demand for such support, and it is also reflected in multiple recommendations for helping to shift the impacts of the cost-of-living crisis.</p>
<p>Information Required</p>	<p>Description</p>
<p>Outcomes, Associated Actions and Success Criteria</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– increasing income (and/or reduced debt) and reducing financial pressures and stress, leading to improved mental health and wellbeing. • 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 individuals in rural/semi-rural areas, ensuring that they can access the community hubs and services offered via the project - tackling loneliness and isolation. • Individuals will report increased awareness of and engagement with other local support services. • Provide individuals with energy efficiency advice and individuals will report a better awareness of energy efficiency measures and improve their practices. • 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"> • BCLF will effectively manage the project and use the agreed percentage of VCMA funding to fund six Centres for Warmth across Bedfordshire. • Cadent will provide energy efficiency, PSR and CO training, and resources to the Centres for Warmth. This will enable individuals to receive advise and support related to the project's key deliverables. • Individuals will attend the centres and engage with the centre's advisors to receive support. • The centres will use a variety of methods to support individuals - provide one-to-one and group conversations, distribute leaflets, and promote wider awareness on the PSR, CO and energy efficiency through sharing themed social media posts to their digital audiences. It is expected the partners will work to maximise their reach and engagement within their audience. • The training, expertise and resources provided by Cadent will be utilised by the advisors. • The centres will deliver the objectives of the project by either utilising existing staff and volunteers and/or employing new members of staff, if required.

	<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 generate a positive social return on investment - see the below relevant section for more details. • The centres will use a variety of methods to support individuals - provide one-to-one and group conversations, distribute leaflets, and promote wider awareness on the PSR, CO and energy efficiency through sharing themed social media posts to their digital audiences. It is expected the partners will work to maximise their reach and engagement within their audience. • Reach 6,000 individuals over the course of the project - individuals at risk of loneliness and isolation will receive general support through the Centres for Warmth. • Individuals will receive CO education to improve their CO safety awareness – 1,500 via one-to-one/group conversations and 4,500 via leaflets. 1, 200 at-risk individuals will also receive a CO alarm. • Individuals will receive in-home energy efficiency advice – 1,200 via one-to-one/group conversations and 2,400 via leaflets. • 500 individuals will receive a slow cooker and learn how to cook affordable, healthy and energy efficient meals. • Individuals will receive advice about the PSR- 1,500 via one-to-one/group conversations and 4,500 via leaflets, with the aim to sign up 420 eligible individuals to the register. • 1,200 individuals will receive income maximisation advice on a range of topics including money budgeting and debt management – external referrals will also be made as relevant.
<p>Project Partners and Third Parties Involved</p>	<p>Cadent will work in partnership with Bedfordshire and Luton Community Foundation</p>
<p>Potential for New Learning</p>	<p>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 the effects of being less financially and socially resilient. Therefore, many of Cadent’s smaller sized charity partners, including the Centres for Warmth have been under increased pressure to meet the growing demand to support vulnerable individuals. This project provides Cadent with the opportunity to understand the current, changing and continuing needs of communities in Bedfordshire and how to best support individuals. As the project covers Luton, Central Bedfordshire and Bedford, each area also has specific issues, and these are dealt with differently.</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 a continually improving, tailored approach.</p>
<p>Scale of VCMA Project and SROI Calculations</p>	<p><u>Scale of VCMA Project</u></p> <p>Cadent will invest £231,589.11 in partnership with BLCF to support individuals in Bedfordshire. From September 2024 to March 2026, six Centres for Warmth are forecasted to reach up to 6,000 individuals and enable vulnerable individuals 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"> • 1,200 individuals will receive in-depth one-to-one advice on income maximisation = £2,060,532.00 • 1,440 individuals will receive advice on energy efficiency = £529,588.80 • 1,950 individuals will receive awareness advice on CO = £17,023.50 • 420 individuals will register to the PSR = £60,433.80 • 500 individuals will receive advice on slow cooking and a free slow cooker = £118,210.00 • 690 individuals will attend the centres and be alleviated from isolation and loneliness = £586,500.00 <p>N.B For PSR, CO and energy efficiency, Cadent has factored in an assumption that 10% of the individuals reached through the project who receive leaflets will retain and use the information</p> <p>Total Investment = £231,589.11</p> <p>Five-year gross present value = £3,372,288.10 One-year gross present value = £971,157.62</p> <p>Five-year net value = £3,140,698.99 One-year net value = £807,682.96</p> <p>SROI Ratio = £1:13</p>
VCMA Project Start and End Date	<p>Start date: 09th September 2024 End date: 31st March 2026</p>
Geographical Area	<p>The project will be delivered in Bedfordshire and Luton (East of England Network)</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: 9/9/2024	Review Completed By: Amanda Jones
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 02/10/2014	Review Completed By: Gurvinder Dosanjh
Step 3: Head of Customer Vulnerability Sign-Off: Phil Burrows	
Head of Customer Vulnerability Sign-Off Date: 19/12/2024	
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	