

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)
A&K Football Education - Centre for Warmth

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September 2024



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 a forecasted positive, Social Return on Investment (SROI) and Net Present Value (NPV) including for the gas consumers funding the VCMA Project (GDNs should use a common SROI model.	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 license 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	
To qualify as a VCMA Project, essential gas appliance servicing must meet the following criteria:	
a) Either: <ul style="list-style-type: none"> i. A GDN has had to isolate and condemn an essential gas appliance following a supply interruption or as part of its emergency service role; or ii. A GDN or its Project Partner has identified an essential gas appliance which has not been serviced in the last 12 months in the owner-occupied home of a customer in a Vulnerable Situation where an occupier of the property suffers from a permanent or temporary health condition that makes them more vulnerable to health risks associated with cold homes; or iii. A GDN or its Project Partner has identified an essential gas appliance which has not been serviced in the last 12 months in a tenant-occupied home of a customer in a Vulnerable Situation where it is the tenant's responsibility to maintain the essential gas appliance, where an occupier of the property suffers from a permanent or temporary health condition that 	N/A

makes them more vulnerable to health risks associated with cold homes.	
b) The household cannot afford to service the essential gas appliance, which is assessed against criteria consistent with the Energy Company Obligation (ECO4) Guidance: Delivery document 1 (see Appendix 1).	N/A
c) Sufficient funding is not available from other sources (including a social or private landlord, national, devolved, local government funding) to fund the essential gas appliance service.	N/A

Section 3 - Eligibility criteria for Collaborative VCMA Projects	
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	A&K Football Education CIC - Centre 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	September 2024
VCMA Project Contact Name, email and Number	Name: Phil Burrows Title: Head of Customer Vulnerability Social Programme Manager Email: Phil.m.burrows@cadentgas.com Number: 07773 545451
Total Cost (£k)	Centre costs: £308,000.00 Leaflet costs: £1,763.64 Plaque costs: £30.00 Project management costs: £12,391.74

Total VCMA Funding Required (£k)	£322,185.38
Problem(s)	<p>According to the Charity National Energy Action (NEA), 83,168 or 19.7% of households in Birkenhead live in fuel poverty. For every 1,000 households in the area, an average of 259.5 received support from the main national energy efficiency programme. This is against an average of 14.4% in the Northwest region and a national average of 13.06%.²</p> <p>30.4% of the population have never worked, with 58.8% having been unemployed for more than 12 months. Only 44.45% would describe themselves as being in very good health, with 15.1% in fair health, 6.8% in bad health and 2.1% in very bad health.³</p> <p>Birkenhead has one of the highest rates of crime, 150% higher than the regional rate and 56% higher than the national rate. The combination of these factors increases the vulnerability of young people putting them at increased risk of criminal exploitation if they cannot secure employment or an apprenticeship, due to their lack of social connections and an inability to demonstrate the skills and experience required by employers. They are also more likely to be Not in Employment Education or Training (NEET). This not only risks endangering themselves and their families, but also increasing the risk of them receiving a criminal record which would further reduce the prospect of legitimate employment.</p> <p>A&K Football Education CIC work towards finding long-term solutions to these problems, seeking to address the root causes of poverty and inequality, including fuel poverty, debt, poor energy efficiency and increasing overall household income, which includes reducing youth unemployment and raising aspirations for future generations.</p>
Scope and Objectives	<p><u>Project Scope</u></p> <p>Cadent will invest £322,185.38 of VCMA funding to deliver a 20-month project in partnership A&K Football Education CIC.</p> <p>The 2024-2026 agreement will replicate other Centres for Warmth models, whereby specialist advisors are employed using VCMA funding. The funding will be used to employ the following staff:</p> <ul style="list-style-type: none"> • A project manager • Two full-time advisors <p>A&K Community Hubs aims to create vibrant community centres that foster social connections and provide essential support services. Their hubs will serve as focal points for community life, enabling fellowship, connection, and a sense of belonging while offering valuable advice and support to prevent problems before they escalate. Cadent's VCMA funding will be used to provide advice and support relating to energy efficiency, benefits and</p>

² [Birkenhead - National Energy Action \(NEA\)](#)

³ www.ons.gov.uk/visualisations/customprofiles/build/#e1400559

	<p>debt, and raises awareness of carbon monoxide (CO) and the Priority Services Register (PSR). A&K Community hubs will use their existing community relationships to incorporate this messaging and enhance their services.</p> <p>The two full-time advisors will receive accredited training to enable them to provide a high-quality service to individuals in the community. These members of staff will provide essential information and support on CO, energy efficiency advice, and the PSR - they will also offer income maximisation advice to individuals and educate them on money management.</p> <p><u>Project Objectives</u></p> <p>The following objectives will be used to measure the success of this centre for warmth:</p> <ul style="list-style-type: none"> • 640 individuals will receive income maximisation advice on a range of topics include benefits, debt management and budgeting. • 2,000 individuals will receive advice about the PSR, with the aim to sign up 200 eligible individuals to the register. • 2,000 individuals will receive energy efficiency advice. • 3,300 individuals will receive CO education to improve their CO safety awareness. • 330 individuals will also receive a CO alarm. • 379 individuals at risk of loneliness and isolation will receive widespread support through the Centre for Warmth.
<p>Why the Project is Being Funded Through the VCMA</p>	<p>We believe that the project meets all 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 carbon monoxide. More information can be found in the relevant section below.</i></p> <p>b. Either:</p> <ul 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. The project will 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 AK Football Education Centre 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 customers 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 have conducted research investigating those in fuel poverty, gas behaviours, cost of living attitudes, concerns and behaviours and communication preferences, including medium and trusted messengers. In addition to this, we tested perceptions of the Vulnerability & Carbon Monoxide Allowance (VCMA) funding. Cadent found that people in poverty prioritise addressing immediate needs over long-term planning to cope with stressors they experience at present.</p> <p>These regular conversations allow Cadent to gain feedback on the initiatives we are, or should be supporting, and ensure that our VCMA-funded projects are in the best interests of our customers.</p> <p>Stakeholders have also provided consistent feedback on the need for energy networks to focus their funding on supporting households most impacted by the cost-of-living crisis.</p> <p>Since its inception, the Centre for Warmth model has focused on tackling fuel poverty by enabling energy efficiency advice and income maximisation support to people living in vulnerable situations.</p>
<p>Information Required</p>	<p>Description</p>
<p>Outcomes, Associated Actions and Success Criteria</p>	<p>A&K Football Education CIC, Centre for Warmth project will form part of Cadent's wider Centres for Warmth network. The Centre for Warmth project model relies on the provision of VCMA funding, materials, and resources to a community centre located in an area of high deprivation, fuel poverty, and carbon monoxide risk.</p> <p>The objective of the project is to create a sustainable community project providing advice and guidance on income maximisation, energy efficiency, the PSR and CO awareness, delivered by staff embedded in the local community. This is expected to increase both the level of interest in accessing services at the community hub and retention, due to the strong sense of community in the area.</p> <p><u>Project Outcomes</u></p>

	<p>The VCMA project will be delivered in partnership with and aims to support individuals living in a vulnerable situation and individuals will report on the below:</p> <ul style="list-style-type: none"> • Report increased levels of household income through the advisors providing advice including benefit checks and debt consolidation. • Report an increased awareness on the dangers of CO and have a reduced risk of harm caused by CO. • Report reduced levels of anxiety in fearing a utility outage and increased awareness of the PSR. • The advisors will provide individuals with energy efficiency advice and individuals will report a better awareness of energy efficiency measures and support. • The hub will provide support to lonely and isolated residents, ensuring that they can access the community centre and the services it offers - tackling loneliness and isolation. <p><u>Associated Actions</u></p> <p>A&K Football Education CIC will utilise Cadent’s funding to:</p> <ul style="list-style-type: none"> • To employ two members of the community who are at risk of being NEET and train them to offer advice on energy efficiency, CO, the PSR and income maximisation. • Employ a project manager who will oversee the project and report back to Cadent on the progress. • Individuals will work with the centre's advisors on a one-to-one basis to receive support. • The centre's staff will provide CO awareness conversations and distribute CO alarms to the most at-risk households. • The centre's staff will provide energy efficiency advice to individuals. • The centre staff will receive an awareness of the PSR and will help eligible households through the registration process. • Individuals will attend the centre to access advice <p><u>Success Criteria</u></p> <p>The success of the project will be evaluated against meeting the projects objectives which include:</p> <ul style="list-style-type: none"> • Employing two staff who would otherwise be NEET, providing them with the skills and experience required to obtain employment on completion of the project. • 3,300 individuals receiving advice on CO safety. • 2,000 individuals receiving advice on energy efficiency. • 640 individuals receiving advice on income maximisation, including benefit and debt support. • 2,000 individuals receiving advice on the PSR, and 200 individuals will be registered to the register. • 379 individuals at risk of loneliness and isolation will receive widespread support through the Centre for Warmth.
<p>Project Partners and Third Parties Involved</p>	<p>Cadent will work in partnership with A&K Football Education CIC.</p>

<p>Potential for New Learning</p>	<p>This project is unique in that it will enable AK Football Education CIC to refurbish an existing building within the community, which is a recognised safe space and will provide a much-needed community hub.</p> <p>By adopting a Public Health approach to community issues, it recognises the long-term impact of poverty and domestic abuse specifically on women and children who have been disproportionately affected.⁴ It recognises both the need to provide safe environments, parent and care giver support and economic strengthening both through advice and most importantly employment for those who wish to work but are hindered due to lack of experience. It is building on the existing sense of community to empower young people who can become role models for younger community members and encourage parents and carers to become involved as volunteers or to become advocates in the wider community. The Child of the North report highlighted the differences in life chances for children born to families where there was economic deprivation.⁵</p> <p>This project will provide the opportunity for qualitative evidence on the benefits of creating employment opportunities for those most at risk of long-term unemployment or being employed via the gig economy whilst also providing a valuable community resource.</p>
<p>Scale of VCMA Project and SROI Calculations, including NPV</p>	<p><u>Scale of VCMA Project</u></p> <p>Cadent will invest £322,185.38 in partnership with A&K Football Education CIC. The project will be delivered across a 20-month duration.</p> <p>The project will work to deliver a range of community-based services reaching communities across Liverpool, with a specific focus in Birkenhead.</p> <p>The reach will be divided as per below:</p> <ul style="list-style-type: none"> • 640 individuals will receive in-depth one-to-one advice on income maximisation = £1,098,950.40 • 2,000 individuals will receive advice on energy efficiency = £735,540.00 • 3,300 individuals will receive awareness advice on CO = £28,809.00 • 200 individuals will register to the PSR = £28,778.00 • 379 individuals will attend the centre to help alleviate isolation and loneliness over the duration of the project = £379,000.00 <p>Total Investment = £322,185.38</p> <p>Five-year gross present value = £2,271,077.40 One-year gross present value = £605,815.48</p> <p>Five-year net present value = £1,948,892.02 One-year net present value = £412,504.25</p>

⁴ <https://apps.who.int/iris/handle/10665/27>

⁵ <https://www.thenhsa.co.uk/app/uploads/2022/01/Child-of-the-North-Report-FINAL-1.pdf>

	SROI Ratio: £1:£6
VCMA Project Start and End Date	Start date: 01 August 2024 End date: 31 March 2026
Geographical Area	The project will be delivered in Cadent's Northwest Network. Supporting the communities across Birkenhead, Liverpool.

**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: 02/10/24.	Review Completed By: Lucy Nembaware
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 03/11/2024	Review Completed By: Gurvinder Dosanjh
Step 3: Head of Customer Vulnerability Sign-Off: Phil Burrows	
Head of Customer Vulnerability Sign-Off Date: 18/12/2024	
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	