

## Vulnerability & Carbon Monoxide Allowance (VCMA)

### Project Eligibility Assessment (PEA) *Hackney Quest*

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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	Hackney Quest
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 Delivery Email: Phil.m.burrows@cadentgas.com Number: 07773 545451
Total Cost (£k)	Centre costs: £72,008.00 Slow cookers costs: 75 x £27.84 = £2,088.00 Plaque cost: £30.00 Leaflet costs: £1,763.64 Project management costs: £3,035.59
Total VCMA Funding Required (£k)	£78,925.23
Problem(s)	<p>In Hackney, 12.1% of households in the borough are in fuel poverty.<sup>1</sup> Across the borough, NEA reported that for every 1000 homes, on average 55% received support from the main national energy efficiency programme.<sup>2,3</sup> 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>Hackney Quest is an independent charity located in Hackney. It has been supporting the community since 1988 through a wide range of projects and programmes, fighting for a fair and equal Hackney. The charity states that “living in some neighbourhoods in Hackney can be very challenging for the local community we support, especially if they are elderly, unemployed, have health issues or have children. Many are confronted by so many challenges which unfortunately means that they must struggle to survive, examples of these are: housing issues, food poverty and insufficient household income leading to debt”.</p>

<sup>1</sup> <https://trustforlondon.org.uk/data/fuel-poverty-rates/#:~:text=Fuel%20poverty%20across%20London&text=Across%20much%20of%20the%20city,is%20as%20high%20as%2030%25>.

<sup>2</sup> <https://www.nea.org.uk/constituencies/hackney-north-and-stoke-newington/>

<sup>3</sup> <https://www.nea.org.uk/constituencies/hackney-south-and-shoreditch/>

	<p>Without funding, Hackney Quest is unable to offer essential services that address these needs. Hackney Quest offers a service called “Hardship Support”, which enables individuals in Hackney to access income maximisation, housing and advocacy support for free. The funding for this service is coming to an end. Therefore, to continue providing support and to build energy efficiency, CO and Priority Services Register (PSR) advice into their existing services, they are seeking funding.</p>
<p><b>Scope and Objectives</b></p>	<p><u>Project scope</u></p> <p>From October 2024 to March 2026, Cadent will invest £78,925.23 of VCMA funding to deliver a Centres for Warmth project in partnership with Hackney Quest. The project will replicate other Centre for Warmth models, whereby Cadent provides VCMA funding, resources, and training to a community centre; to enable the delivery of vital information and support on income maximisation, CO safety, energy efficiency and the PSR.</p> <p>Hackney Quest will ensure that the key elements of the project are incorporated across all the charity’s existing support services, such as their foodbank, coffee mornings, community meals, youth service and “Hardship Support” advice service. All the services are open to all and offer a fantastic opportunity to promote and provide support to individuals in vulnerable situations. Hackney Quest will ensure that its staff have the knowledge, capacity and direction required to support individuals, via one-to-one and group conversations, leaflet distribution and themed social media posts.</p> <p>Hackney Quest will use the VCMA funding to fund:</p> <ul style="list-style-type: none"> <li>• <b>Three existing part – time advisor roles</b> The advisors will deliver advice and support on CO safety, energy efficiency and the PSR, whilst providing resources such as CO alarms (<i>as applicable</i>). Two of the advisors are specialists in “Hardship Support” so will also provide advice on income maximisation and housing - providing benefit checks, financial advice, advocacy support and signposting.</li> <li>• <b>Four energy saving events across the project duration</b> Hosted by Hackney Quest, individuals will attend themed community events and receive CO safety, energy efficiency, PSR and income maximisation advice. Hackney Quest will work with other local organisations to promote the event, to support as many individuals as possible.</li> <li>• <b>The delivery of slow cooking classes</b> Hackney Quest will work in collaboration with Hackney School of Food to deliver slow cooking classes and off-site demonstrations, promoting slow cooking as an affordable, energy efficient and healthy cooking method. Individuals that attend the classes will also receive a free slow cooker if they not already own one.</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>• Hackney Quest will use a variety of methods to support individuals - deliver one-to-one and group conversations, distribute leaflets, and promote wider awareness on the PSR, CO and energy efficiency by sharing themed social media posts to their digital audience. It is expected that they will work to maximise the reach and engagement within their audience.</li> </ul>

	<ul style="list-style-type: none"> <li>• 621 individuals will be provided with a warm space to connect and socialise over the course of the project - individuals at risk of loneliness and isolation will be supported.</li> <li>• Individuals will receive CO education to improve their CO safety awareness. This includes 250 via one-to-one and group conversations, 60 via workshops, 200 via events, 200 via youth sessions and 250 via leaflets. 90 at-risk individuals will also receive a CO alarm.</li> <li>• Individuals will receive in-home energy efficiency advice. This includes 250 via one-to-one and group conversations, 60 via workshops, 200 via events, 200 via youth sessions and 300 via leaflets.</li> <li>• 75 individuals will receive a slow cooker and learn how to cook affordable, healthy and energy efficient meals.</li> <li>• Individuals will receive advice about the PSR. This includes 250 via one-to-one and group conversations, 60 via workshops, 200 via events and 250 via leaflets. Hackney Quest will aim to sign up 100 eligible individuals to the register.</li> <li>• 150 individuals will receive income maximisation advice on a range of topics including money budgeting and debt management, and external referrals will also be made as relevant.</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> <ol style="list-style-type: none"> <li><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><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> </li> <li><b>b. Either:</b> <ol style="list-style-type: none"> <li><b>i. Provide support to consumers in Vulnerable Situations and relate to energy safeguarding, or,</b></li> <li><b>ii. Provide awareness of the dangers of CO, or,</b></li> <li><b>iii. Reduce the risk of harm caused by CO;</b></li> </ol> <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> </li> <li><b>c. Have defined outcomes and the associated actions to achieve these:</b> <p><i>Cadent and Hackney Quest have entered into a service agreement that will contain the project objective and actions. Further detail can also be found below.</i></p> </li> <li><b>d. Go beyond activities that are funded through other price control mechanism(s) or required through licence obligations, and,</b> <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> </li> <li><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></li> </ol>

	<i>This project will be solely delivered through Cadent's VCMA funding.</i>
<b>Evidence of Stakeholder/Customer Support</b>	<p>Through engagement and research with various stakeholders, Cadent gains a better understanding of stakeholder needs and expectations, what is important, what services are needed and how to deliver them most effectively. In turn, Cadent can strategically allocate VCMA spend to support vulnerable individuals and reach the diversity of individuals in need of support.</p> <p><b>Cadent Gas Vulnerability Research</b>  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><b>Centres for Warmth</b>  Our Centres for Warmth partners play an ongoing role in shaping the initiative, ensuring that insights from their experiences are integrated into the development of new projects. This includes applying key lessons learned from both the successes and challenges faced by the existing Centres for Warmth. The project continues to receive positive feedback from stakeholders, and its most successful elements will be carried forward into new projects that join the Centres for Warmth network.</p> <p><b>Co-operative Councils Innovation Network - Working collaboratively to support residents in financial crisis report</b>  In 2023, Hackney Council submitted a case study focussed on working collaboratively to support residents in financial crisis. The report highlighted that community partners are better able to reach the diversity of residents in Hackney and by investing in them we are also building community wealth. This perspective and approach, aligns with the Centres for Warmth model.</p> <p><b>The Energy Diaries and the current climate</b>  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>Collectively, the evidence suggests there is a need and benefit to working in partnership with Hackney Quest and using the Centres for Warmth model to support vulnerable individuals in Hackney.</p>
<b>Information Required</b>	<b>Description</b>
<b>Outcomes, Associated Actions and Success Criteria</b>	<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 (and/or reduced debt) and reduced 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> </ul>



- 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 engage 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.

#### Associated Actions

The following associated actions will be implemented to deliver the project's outcomes:

- Hackney Quest will use a variety of methods to support individuals such as providing one-to-one and group conversations, distributing leaflets, and promoting 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.
- Cadent will provide energy efficiency, PSR and CO training, and resources to the core project delivery team. This will enable individuals to receive advice and support related to the project's key deliverables.
- The training, expertise and resources provided by Cadent will be utilised by the advisors and the rest of the core project delivery team to support individuals.
- Hackney School of Food and Hackney Quest will work collaboratively to deliver slow cooking sessions and off-site demonstrations.
- Individuals will attend the centre to receive support and advice from the centre's advisors, and where applicable referral partners.

#### Success Criteria

The success of the project will be measured against meeting the below criteria:

- Hackney Quest 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 that they will work to maximise their reach and engagement within their audience.
- 621 individuals will be provided with a warm space to connect and socialise over the course of the project - individuals at risk of loneliness and isolation will be supported.
- Individuals will receive CO education to improve their CO safety awareness - 250 via one-to-one and group conversations, 60 via workshops, 200 via events, 200 via youth sessions and 250 via leaflets. The most at-risk individuals will also receive a CO alarm.
- Individuals will receive in-home energy efficiency advice – 250 via one-to-one and group conversations, 60 via workshops, 200 via events, 200 via youth sessions and 300 via leaflets.
- 75 individuals will receive a slow cooker and learn how to cook affordable, healthy and energy efficient meals.
- Individuals will receive advice about the PSR - 250 via one-to-one and group conversations, 60 via workshops, 200 via events and 250 via leaflets. Hackney Quest will aim to sign up 100 eligible individuals to the register.

	<ul style="list-style-type: none"> <li>• 150 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.</li> <li>• The project will generate a positive social return on investment - see the below relevant section for more details.</li> </ul>
<b>Project Partners and Third Parties Involved</b>	Cadent will work in partnership with Hackney Quest
<b>Potential for New Learning</b>	<p>This project will provide Cadent with an opportunity to understand the needs of individuals in Hackney and find the most effective ways to support the existing and changing needs of vulnerable individuals in the borough. The borough is described as “a rich, vibrant mix of different communities”, so it is also important to recognise that the different communities will have differing needs, which may need to be addressed accordingly. This may result in learning about the best methods, communication channels and services to engage vulnerable individuals located in a diverse urban community.</p> <p>Hackney Quest will also actively work with its youth service to educate young individuals about energy efficiency and carbon monoxide. This will provide insights into how young people engage with the topics, and the wider benefits it can have.</p> <p>Cadent will remain committed to working closely with its partners to enhance the effectiveness of our projects. By actively seeking feedback, we aim to refine the support and services offered to vulnerable individuals, ensuring a more personalised and continuously improved approach to meeting community needs.</p>
<b>Scale of VCMA Project and SROI Calculations</b>	<p><u>Scale of VCMA Project</u></p> <p>In partnership with Hackney Quest, Cadent will invest £78,925.23 of VCMA funding to support individuals in Hackney. From October 2024 to March 2026, the project is forecasted to reach up to 621 individuals and will enable vulnerable individuals to access essential information and support on energy efficiency, CO safety, income maximisation, the PSR and wider well-being related areas.</p> <p><u>SROI Calculations</u></p> <p>The reach will be divided as per below:</p> <ul style="list-style-type: none"> <li>• 150 individuals will receive in-depth one-to-one advice on income maximisation = £257,566.50</li> <li>• 787 individuals will receive advice on energy efficiency = £289,434.99</li> <li>• 774 individuals will receive awareness advice on CO = £6,757.02</li> <li>• 100 individuals will register to the PSR = £14,389.00</li> <li>• 75 individuals will receive advice on slow cooking and a free slow cooker = £17,731.50</li> <li>• 71 individuals will attend the centres and be alleviated from isolation and loneliness = £56,800.00</li> </ul> <p>N.B For PSR, CO and energy efficiency, Cadent has factored in an assumption that 25.6% of the individuals reached through the project who receive leaflets will retain and use the information.</p> <p>Total Investment = £78,925.23</p> <p>Five-year gross present value = £642,679.01  One-year gross present value = £159,775.80</p>



	<p>Five-year net value = £563,753.78  One-year net value = £100,581.88</p> <p>SROI Ratio = £1:7</p>
<b>VCMA Project Start and End Date</b>	<p>Start date: 1<sup>st</sup> October 2024  End date: 31<sup>st</sup> March 2026</p>
<b>Geographical Area</b>	The project will be delivered in Hackney (North London Network)

**Gas Network Vulnerability and Carbon Monoxide Allowance (VCMA) Governance Document - PEA Control Table**

<p>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.</p>	
<p>Stage 1: Sustainability and Social Purpose Team PEA Peer Review</p>	
<p>Date Immediate Team Peer Review Completed:  27.09.24</p>	<p>Review Completed By: Aamina Vhora</p>
<p>Stage 2: Sustainability and Social Purpose Team Management Review</p>	
<p>Date Management Review Completed: 12.11.24</p>	<p>Review Completed By: Gurvinder Dosanjh</p>
<p>Step 3: Head of Customer Vulnerability Sign-Off: Phil Burrows</p>	
<p>Head of Customer Vulnerability Sign-Off Date: 18/12/2024</p>	
<p>Step 4: Upload PEA Document to the Website &amp; Notification Email Sent to Ofgem (<a href="mailto:vcma@ofgem.gov.uk">vcma@ofgem.gov.uk</a>)</p>	
<p>Date that PEA Document Uploaded to the Website: December 2024</p>	
<p>Date that Notification Email Sent to Ofgem: December 2024</p>	