

## Vulnerability & Carbon Monoxide Allowance (VCMA)

### Project Eligibility Assessment (PEA) *Scope Retail Partnership*

Kate Ravenscroft – Stakeholder Specialist

January 2024

**Updated August 2024**



## 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>
<b>a)</b> 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.	Y
<b>b)</b> Either: <ul style="list-style-type: none"> <li><b>i.</b> Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or</li> <li><b>ii.</b> Provide awareness on the dangers of CO, or</li> <li><b>iii.</b> Reduce the risk of harm caused by CO;</li> </ul>	Y
<b>c)</b> Have defined outcomes and the associated actions to achieve these;	Y
<b>d)</b> Go beyond activities that are funded through other price control mechanism(s) or required through license obligations; and	Y
<b>e)</b> Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding.	Y
<b>Section 2 - Eligibility criteria for company-specific essential gas appliance servicing</b>	
To qualify as a VCMA Project, essential gas appliance servicing must meet the following criteria:	
<b>a)</b> Either: <ul style="list-style-type: none"> <li><b>i.</b> 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</li> <li><b>ii.</b> 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</li> <li><b>iii.</b> 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</li> </ul>	N/A

1. [An Equal Future | Disability charity Scope UK](#)
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from a permanent or temporary health condition that 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

<b>Section 3 - Eligibility criteria for Collaborative VCMA Projects</b>	
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	Scope Retail Partnership
Funding GDN(s)	Cadent
New / Updated (indicate as appropriate)	New PEA and partnership Updated August 2024
Role of GDN(s) *For Collaborative VCMA Projects only	Cadent specific
Date of PEA Submission	January 2024 <b>Updated August 2024</b>
VCMA Project Contact Name, email and Number	Philip Burrows <a href="mailto:Phil.m.burrows@cadentgas.com">Phil.m.burrows@cadentgas.com</a> 07773545451
Total Cost (£k)	Partner costs: £1,793,874 Project management costs (4%): £71,754.96

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	<p>Updated August 2024</p> <p>Additional Partner costs: £31,000.00 Additional project management costs: £1,240.00</p>
<b>Total VCMA Funding Required (£k)</b>	<p>£1,865,628.96</p> <p>Updated August 2024</p> <p>£1,897,868.96</p>
<b>Problem(s)</b>	<p>16 million people in the UK are disabled. That's 1 in 4 people or 24% of the population.</p> <p>Life is much harder for disabled people at home, at work and in the community.</p> <p>Too many disabled people are denied work opportunities, millions of disabled people experience a financial penalty simply because of who they are, and many have experienced negative attitudes because of their disability. The recent impact of a global pandemic and cost of living crisis has only made these things worse, impacting disabled households far more than others.</p> <p>Scope has ambitious plans for the next decade to achieve An Equal Future<sup>1</sup> for all disabled people in the UK.</p> <p>Their strategy goals are:</p> <ul style="list-style-type: none"> <li>• Transform Attitudes</li> <li>• Close the Disability Employment Gap</li> <li>• End the Disability Price Tag</li> </ul> <p>This programme in particular will support the third goal by supporting disabled people, who are in or at risk of fuel poverty and may not already be aware of the support available, to reduce their energy costs and stay safe and warm.</p> <p>50% of disabled people that Scope have surveyed have said they are struggling to keep warm and safe, unable to afford the essentials.</p> <p>Research by Opinium<sup>2</sup> reveals devastating and disproportionate impact the energy crisis is having on disabled people:</p> <ul style="list-style-type: none"> <li>• 28% of disabled people are not using their heating when cold, compared with to 16% of non-disabled people.</li> <li>• 34% are buying lower quality food, skipping meals and or eating less and making choices whether to eat or heat, compared to 19% of non-disabled people.</li> <li>• 20% of disabled people survey said they were cutting back or stopping showering and bathing because of the cost of living, compared to 9% of non-disabled adults.</li> <li>• During this year alone, almost a third of disabled people have been pushed into debt (29%) compared to 16% of non-disabled people.</li> </ul>

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	<p>In November 2020 Scope launched an advice service to support disabled people and their families to receive energy advice which would maximise income and help in managing their bills. In October 2021 this expanded to provide further support including water advice. The current support offered is received by telephone and email and other digital channels.</p> <p>Scope carried out research between August 2022 and 31 August 2023 with customers coming through Scope’s Disability Energy Support service.</p> <ul style="list-style-type: none"> <li>• 41% of DES customers confirmed they had equipment relating to their disability, condition, or impairment, that used energy.</li> <li>• 47% confirmed they were in arrears with at least one utility type.</li> <li>• Last month, the average energy debt of disabled households supported through DES has increased to £1,794.</li> <li>• 53% with a pre-payment meter earned or received less income than the national living wage.</li> </ul>
<p><b>Scope and Objectives</b></p>	<p><b><u>The Aim of the Programme:</u></b></p> <p>To engage and directly support disabled people and their families in the community, with their energy services and costs, helping them to keep warm and safe. In particular, this will target disabled people who are digitally excluded and have been impacted the most by the energy crisis. The programme will also support those who may be digitally active but have a low awareness of the support available to them and those who prefer to access face to face support.</p> <p><b><u>The proposed design of the Programme:</u></b></p> <p>To engage disabled people, face to face, in the community they live and in the places that they already congregate, including faith groups, libraries, community centres and warm hubs.</p> <p>Disabled people will receive information, advice and support about how to keep warm and safe and to reduce their energy costs.</p> <p>The programme will run in 4 of Cadent’s regions, where Scope already has a community presence and where there is the highest level of fuel poverty (39% of households in England in fuel poverty include a disabled person).</p> <ul style="list-style-type: none"> <li>• Manchester</li> <li>• Stoke on Trent</li> <li>• Norwich and East Anglia</li> <li>• London</li> </ul> <p>Scope already has a team of Community Engagement Advisers working in these areas, who will bring their experience of working with local authorities and local partners to engage disabled people.</p> <p>Supported by Energy Specialist Advisers, the team will bring local disabled people who are in fuel poverty or are at risk of being in fuel poverty. together with carers and supporters, they will define the barriers they face with their</p>

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energy services in their community and work together on projects to address the issues raised.

We will work with these groups to increase their understanding and knowledge of energy services and cost savings strategies and give them guidance and access to the support they need.

These groups will be the catalysts for our work in the communities and using Scope's Community Engagement model, they will become active advocates, drawing in peers from their networks that need support.

The team will work with local partners who are already engaging with disadvantaged groups and holding community events where disabled congregate such as faith groups, coffee mornings, recreational activities, libraries and warm hubs.

The team will deliver presentations to these groups at the venues they already attend, raising their awareness and providing support:

- The Priority Services Register, the benefits and how to register.
- Income maximisation and benefits
- Energy Tariffs and discounts
- Local grants and local services
- Energy efficiency and guidance on energy efficiency products and heating
- Smart metering, new technologies and awareness and support about the energy transition
- Referrals for energy vouchers and stay warm packs.
- Carbon monoxide awareness and gas safety packs
- Referrals to Cadent for other free products and services such as:  
a free gas locking cooker valve (if appropriate)
- home safety assessments to check appliances and the safety of disabled peoples' homes.
- free replacement white goods and appliances – there is potential for cookers to be replaced and potentially other appliances **providing that the customer meets the appropriate eligibility criteria.**

Customers who are confident to use online tools will be encouraged to use the IE Hub to create a personalised budget and use the free benefit checker and other information and services that the tool provides.

They Energy Experts will also offer one to one meetings to disabled people who need bespoke support with the expected outcome of an action plan, to help them get the best out of their energy service, to stay safe and warm and to reduce their costs. Follow up meetings to support them with their agreed actions will be offered.

Scope's 74 Retail shops in the regional areas will play a role by displaying co-branded information about this programme and communicating some key messages and tips on energy and costs. We will give training to retail staff so that they can explain the programme and give out basic information.

A further option may be to hold seasonal pop-up stand events, outside chosen Retail shops, offering energy advice and information.

We will create a landing page to enable us to support those people who do use digital channels to find out more information from our webpages.

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	<p>We would provide a URL on any literature, so that we can track the number of people that come through. We will also use our Retail social media channels to promote the programme and increase footfall into our shops to find out more.</p> <p>There will be opportunities to promote the programme through local media, broadcast and social media.</p> <p>The programme will also be marketed through our relationship with Cadent, increasing Scope brand awareness with Cadent's staff, customers, and supply chain.</p> <p>As well as fully funding the project, Cadent may offer the following:</p> <ul style="list-style-type: none"> <li>• Facilities on Cadent sites and their partner facilities to hold events and presentations.</li> <li>• Safety training for Scope's advisors and deliver awareness briefings to Retail staff. Cadent staff on occasions, could also attend customer presentations to co present.</li> <li>• Marketing and comms resource to support Scope's team and bolster the marketing for the project.</li> <li>• Introductions to their existing community partners.</li> </ul> <p><b>Updated August 2024</b></p> <p><b>Building on learnings from other projects, notably the collaborative Disability Energy Support project with Scope, this partnership will also provide:</b></p> <p><b>Crisis support in the form of energy credit or prepayment vouchers for those who would benefit and meet the criteria.</b></p>
<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>a. Have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project: <p>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, tackling loneliness and isolation and education on carbon monoxide. More information can be found in the relevant section below.</p> </li> <li>b. Either: <ol 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 of the dangers of CO, or,</li> <li>iii. Reduce the risk of harm caused by CO.</li> </ol> <p>The project delivers services that meet all three elements of this criteria. For example, the project will also raise awareness of the dangers of CO and promote registration to the PSR. The project will also promote energy-saving tips and how to cook more efficiently.</p> </li> <li>c. Have defined outcomes and the associated actions to achieve these:</li> </ol>

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	<p>Cadent and Scope have entered into a service agreement that will contain the project objective and actions. Further detail can also be found below.</p> <p>d. Go beyond activities that are funded through other price control mechanism(s) or required through license obligations, and,</p> <p>This method of delivering support to customers in vulnerable situations falls outside of Cadent's BAU activities and other license conditions.</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>This project will be solely delivered through Cadent's VCMA funding.</p>
<p><b>Evidence of Stakeholder/Customer Support</b></p>	<p><b>New research (conducted by Experian<sup>3</sup>)</b> has revealed around three quarters of disabled people have delayed contacting essential service providers because it seemed too daunting to them.</p> <p>Experian's research reveals that disabled people, on average, wait more than two months - 82 days - before contacting a provider. They cited feeling emotionally drained (37%), anxious (34%) and demoralised (27%) after interactions with organisations.</p> <p>According to <b>Scope's research<sup>4</sup></b> on accessibility and disability</p> <ul style="list-style-type: none"> <li>disabled people are over 50% more likely to face barriers to accessing digital and online services than non-disabled people. There are so many barriers. It ranges from digital accessibility issues, like forms not having proper labelling for screen reader users, information being complex, and actions unclear, confusing and unnecessarily long customer journeys.</li> <li>if you have an impairment, you are 3 times more likely not to have the skills to access devices and get online.</li> </ul> <p>In 2022, Lloyds Bank found that having an impairment has an impact on how able someone is to complete digital tasks labelled as "basic". This depends significantly upon the type of impairment a person has, for example sensory impairments are 22% more likely than mental health to have an impact. Having multiple impairments also makes a person 12% less able to complete "basic" digital tasks.</p> <p>In summary, our findings are that disabled people already have extra costs of on average £975 per month and have been hit the hardest by the cost of living and energy crisis. Disabled people are less likely to contact support services and are 3 times less likely to be digitally excluded.</p> <p><b>McCann Market research CO survey:</b> McCann Market research carried out a survey and out of 52 18-34-year-olds, all were unable to identify the signs of CO poisoning and with 21 respondents believing you can "smell gas". This highlights that education is a key issue for this audience.</p>

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	<p><b>Energy UK’s ‘CO Be Alarmed!’ research:</b> Research from Energy UK’s ‘CO Be Alarmed!’ campaign found that CO alarm ownership is relatively low versus customer’s perceived levels of awareness. The research found that one in three Britons (over 17 million people) is at risk of not identifying carbon monoxide through not owning an alarm.</p> <p><b>The Energy Diaries research:</b> Through extensive research with customers living in fuel poverty over a period of several months, we then engaged with experts such as Citizen’s Advice, NEA and a suite of other charities operating in this space to co-create several additional initiatives that Cadent could offer to its customers. This was one of these initiatives.</p> <p><b>Charity Partnerships</b> We have strategic level partnerships in place with around 40 consumer advice organisations and charities. We engage regularly to assess the benefits of existing projects and consider options elsewhere, taking the opportunity to benchmark against others and seek to learn.</p>
<p><b>Information Required</b></p>	<p><b>Description</b></p>
<p><b>Outcomes, Associated Actions and Success Criteria</b></p>	<p>To engage disabled people, face to face in the community they live and in the places that they already congregate, including faith groups, libraries, community centres and warm hubs.</p> <p>Disabled people will receive information, advice and support about how to keep warm and safe and reduce their energy costs.</p> <p>The programme will run in 4 of Cadent’s regional areas in England, where Scope already has a community presence and where there is the highest level of fuel poverty (39% of households in England in fuel poverty include a disabled person).</p> <ul style="list-style-type: none"> <li>• Manchester</li> <li>• Stoke on Trent</li> <li>• Norwich and East Anglia</li> <li>• London</li> </ul> <p>Scope already has a team of Community Engagement Advisers working in these areas, who will bring their experience of working with local authorities and local partners to engage disabled people.</p> <p>Supported by a team by Energy specialist advisers, this team will bring local disabled people together with carers and supporters, who are in fuel poverty or are at risk of being in fuel poverty. Together they will define the barriers they face with their energy services in their community. They will work together on projects to address the issues raised about their energy services and costs.</p> <p>We will work with these groups to increase their understanding and knowledge of energy services and cost savings strategies and give them guidance and access to the support they need.</p> <p>These groups will be the catalysts of our work in the communities and using Scope’s Community Engagement model, they will become active advocates drawing in peers from their networks that need the support.</p>

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The Energy Experts will also offer one to one meetings to disabled people who need bespoke support. An outcome will be an action plan, to help them get the best out of their energy service to stay safe and warm and reduce their costs. Follow up meetings to support them with their agreed actions will be offered.

Scope's 74 Retail shops in the regional areas will play a role by displaying co-branded information about this programme and communicate some key messages and tips on energy and costs. We will give training to Retail staff so that they can explain about the programme and give out basic information.

A further option may be to hold seasonal pop-up stand events, outside chosen Retail shops, offering energy advice and information.

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We would provide a URL on any literature, so that we can track the number of people that come through. We will also use our Retail social media channels to promote the programme and increase footfall into our shops to find out more.

There will be opportunities to promote the programme through local media, broadcast and social media.

The programme will also be marketed through our relationship with Cadent, increasing Scope brand awareness with Cadent's staff, customers, and supply chain.

See detailed numbers below

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	<p><b>Updated August 2024</b></p> <p>Building on learnings from other projects, notably the collaborative Disability Energy Support project with Scope, this partnership will also provide:</p> <p>Crisis support in the form of energy credit or prepayment vouchers for those who would benefit and meet the criteria.</p> <p>£150 fuel voucher, one per customer.</p>		
<b>Project Partners and Third Parties Involved</b>	Scope		
<b>Potential for New Learning</b>	We will be able to learn how a particular demographic of customer can be reached and engaged. How best to target the customers across our network that are disabled and if the messaging is clearer and more accurate by using a specialist partner.		
<b>Scale of VCMA Project and SROI Calculations, including NPV</b>		Volume of people	SROI 5 YEAR
	CO advice general	225,172	
	CO advice detailed	48000	£ 1,965,241.05
	CO alarms	33,775	£ 268,473.97
	Energy Efficiency advice (general)	225,172	
	Energy efficiency advice 121/small groups	48,000	£ 33,604,800.00
	PSR awareness	225,172	
	PSR Sign up	48,000	£ 6,906,720.00
	Appliance safety checks	1,000	£ 469,000.00
	Income maximisation/benefit	2,560	£ 4,395,801.60
			£ 47,641,036.62
		<p><b>Updated August 2024</b></p> <p>With the inclusion of distributing an additional 200 fuel vouchers at a cost of £150 per voucher, this would generate an additional £30,000 in SROI (gross over five years).</p> <p>Five-year SROI (Gross) <b>£47,641,036.62</b> One-year SROI (Gross) <b>£9,528,207.32</b></p> <p>Five-year SROI (Net) <b>£45,743,167.66</b> One-year SROI (Net) <b>£9,148,633.53</b></p> <p><b>Ratio SROI to £1:24</b></p>	
<b>VCMA Project Start and End Date</b>	1 <sup>ST</sup> April 2024 - 31 <sup>st</sup> March 2026		
<b>Geographical Area</b>	Manchester- Northwest network Stoke on Trent – West Midlands network. Norwich and East Anglia – Eastern network. London -North London network		

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<b>Internal governance and project management evidence</b>	Managed through MI and monthly meetings between Cadent and Scope.
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**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: 29/01/2024	Review Completed By: Nicola Campbell
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 29/01/2024	Review Completed By: Phil Burrows
Step 3: Director of Sustainability & Social Purpose Sign-Off: Mark Belmaga	
Director of Sustainability and Social Purpose Sign-Off Date: July 2024	
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: 14/08/2024	
Date that Notification Email Sent to Ofgem: August 2024	

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