

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)
Bonanza – Energy Efficiency Education Programme

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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 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	Bonanza – Energy Efficiency Education Programme
Funding GDN(s)	Cadent
New / Updated (indicate as appropriate)	New
Role of GDN(s) *For Collaborative VCMA Projects only	Cadent – network specific
Date of PEA Submission	August 2024
VCMA Project Contact Name, email and Number	Name: Phil Burrows Job Title: Customer Vulnerability Social Programmes Manager Email: phil.burrows@cadentgas.com Phone: 07773545451
Total Cost (£k)	Costs: Fixed Partner costs: £65,000.00 Variable up to £232,980.00 (depending on number of schools) Project management costs (4%): £11,919.20
Total VCMA Funding Required (£k)	£309,899.20

<p>Problem(s)</p>	<p>Children living in fuel poverty face significant hardships, as their families struggle to afford adequate heating and electricity, often forcing them to choose between necessities like food and warmth. This issue not only affects children’s physical health, making them more susceptible to illnesses due to cold and damp living conditions, but also their academic performance and overall well-being.</p> <p>In the UK today, three million children are at risk of hunger, that equates to one in five children.² The families that use the services of Magic Breakfast Charity are on the front-line of the UK’s child hunger and poverty crisis, grappling to make ends meet and put food on the table for their children.</p> <p>By understanding how to maximise energy efficiency, families can create a more stable and comfortable living environment, ensuring that children are warm and healthy, which in turn supports their ability to focus and thrive in school.</p>
<p>Scope and Objectives</p>	<p>The project aims to reach 80 schools across Cadent’s network, focusing primarily on the Northwest over the 19-month project. Cadent will provide VCMA funding to support children in high deprivation, who are at greater risk of fuel poverty and carbon monoxide (CO) exposure.</p> <p>The project will deliver:</p> <ul style="list-style-type: none"> • Introductions from Magic Breakfast (covered in a separate PEA) schools into the programme • A bespoke energy efficiency education programme delivered to 80 schools • Each school to receive a bespoke assembly delivered to the whole school • KS2 classroom discovery sessions to link in with an energy efficiency project. • Two arts facilitators to run all sessions • Provision of resources to report back on energy savings.
<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 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 education awareness on energy efficiency and how it can help families save money.</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>The project delivers services that meet all three elements of this criteria. For example, children will be</p>

² <https://foodfoundation.org.uk/initiatives/food-insecurity-tracking#tabs/Round-14>

	<p>educated on energy efficiency awareness as well as ways to save money within the home. The project will also give children the tools and advice to take home with them as well as information on CO awareness within the home.</p> <p>c. Have defined outcomes and the associated actions to achieve these:</p> <p><i>The project objective and actions are detailed 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>This method of delivering support to individuals and families in vulnerable situations falls outside of Cadent's BAU activities and other licence 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><i>This project will be solely delivered through Cadent's VCMA funding.</i></p>
<p>Evidence of Stakeholder/Customer Support</p>	<p>The project delivering energy efficiency education to children in primary schools has received robust support from all parties involved with the project. School administrators have endorsed the initiative, recognising its potential to integrate valuable life skills into the curriculum and foster environmentally conscious behaviours from an early age. The understanding is that the long-term economic and environmental benefits of equipping the next generation with knowledge on energy conservation is beneficial to all.</p> <p>Cadent's energy diaries concluded that three-quarters (74%) of the public are anxious about the cost of their energy bills this winter after unprecedented cost of living increases and energy costs being front and centre dominating every aspect of people's lives. Insights showed that a lack of accurate energy-saving information means that people cannot work out how to reduce their energy use and costs, with some even using rules of thumb that might even increase their costs.</p> <p>With 92% of the public being concerned about energy bills and cost of living and 64% being very concerned, there needs to be a clear focus on educating how we can go about using small measures to make big differences. Evidence has also shown that people are switching off from energy-related media coverage with 43% of the public saying they avoid media coverage about the energy crisis and cost of living as it is all doom and gloom with no practical help.</p>
<p>Information Required</p>	<p>Description</p>
<p>Outcomes, Associated Actions and Success Criteria</p>	<p>The Bonanza Energy Efficiency Programme will be delivered across the Northwest region of Cadent's network and will support Magic Breakfast in providing education to children in areas of high deprivation on the efficient use of appliances and behaviour to</p>

	<p>help maximise income, the project aims to deliver the following outcomes;</p> <p><u>Project Outcomes</u></p> <p>This project will aim to achieve the following outcomes:</p> <ul style="list-style-type: none"> • Introduce Bonanza Creative to schools that are using the services of Magic Breakfast to reach families most in need. • Provide children with education on energy efficiency and how they can help to spread the messaging. • Provide families with useful and practical tools to make a difference to their energy bills and consumption at home. • Have a long-term impact on educating the next generation for economic and environmental benefits. <p><u>Success Criteria</u></p> <p>The success of the project will be measured by meeting the below criteria over 19-months:</p> <ul style="list-style-type: none"> • Cadent will recruit Bonanza Creative to create a bespoke educational programme to roll out to 80 primary schools across the Northwest. • The project will reach a minimum of 12,500 children over the period of the project. • 80 schools will be targeted via connections with Magic Breakfast. • 12,500 children will be educated on energy efficiency awareness. • 12,500 children will be given practical tools and advice on how to save money in the home and in turn reduce energy consumption. • 42,500 individuals will benefit from the advice and education based on the UK average household number of 2.4
<p>Project Partners and Third Parties Involved</p>	<p>Bonanza Creative and Magic Breakfast</p>
<p>Potential for New Learning</p>	<p>The collaborative project between Magic Breakfast and Bonanza Creative, aimed at providing a bespoke energy efficiency education programme, holds immense potential for new learning opportunities. For children and their families, this initiative offers a practical and engaging way to understand the fundamentals of energy conservation and its direct impact on reducing household expenses. By incorporating interactive and creating learning methods, Bonanza Creative can help children grasp complex concepts through fun and relatable activities, fostering a deeper understanding and long-term retention of energy-saving practices. This education extends beyond the classroom, as children share the knowledge with their families, encouraging the adoption of energy-efficiency habits at home and contributing to a broader cultural shift towards sustainability.</p> <p>Moreover, the project creates valuable learning experiences for educators and pastoral workers involved. Teachers gain access to innovative educational resources and training that enhance their ability to integrate energy efficiency topics into curriculum effectively. Pastoral workers can observe and measure the</p>

	<p>impact of such educational interventions on fuel poverty, providing insights that can inform future policies and programmes within education. The collaboration also serves as a model for similar partnerships, demonstrating how creative approaches to education can address pressing social issues like fuel poverty. By documenting and sharing the outcomes of this project, Magic Breakfast, Bonanza Creative and Cadent can contribute to a growing body of knowledge on the crossroads of education, energy efficiency and poverty alleviation.</p> <p>Cadent will have quarterly progress meetings with both Bonanza and Magic Breakfast to listen to feedback that both partners have from the schools they are working with that can enhance the project further. This learning from feedback sessions can then be used to increase the success of the project moving forward.</p>
<p>Scale of VCMA Project and SROI Calculations, including NPV</p>	<p><u>Scale of VCMA Project</u></p> <p>Cadent will invest £309,899.20 in partnership with Bonanza Creative. The project will be delivered from August 2024 to March 2026 and is forecasted to reach around 12,500 school pupils and 42,500 individuals in total. It will enable children within Magic Breakfast schools in the Northwest region to access educational resources and information on energy efficiency and provide support to their families in reducing energy bills.</p> <p><u>SROI Calculations</u></p> <p>The reach will be divided as per below:</p> <ul style="list-style-type: none"> • 12,500 children will receive access to a bespoke energy efficiency advice programme within schools. • Based on the UK average household of 2.4 we expect the information and advice to reach an additional number of 30,000 individuals. • Therefore a total of 42,500 individuals will receive bespoke energy advice equating to £15,630,225.00. <p>Total Investment = £309,899.20</p> <p>Five-year gross present value = £15,630,225.00 One-year gross present value = £3,126,045.00</p> <p>Five-year net present value = £15,320,325.80 One-year net present value = £3,064,065.16</p> <p>SROI = £1:£51</p>
<p>VCMA Project Start and End Date</p>	<p>Start date: August 2024 End date: March 2026</p>
<p>Geographical Area</p>	<p>The project will be delivered in Cadent's Northwest Region</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: 16/07/2024	Review Completed By: William Allard
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 19/07/2024	Review Completed By: Gurvinder Dosanjh
Step 3: Director of Sustainability & Social Purpose Sign-Off: Mark Belmega	
Director of Sustainability and Social Purpose Sign-Off Date: 22/08/24	
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: October 2024	
Date that Notification Email Sent to Ofgem: October 2024	