

# Vulnerability & Carbon Monoxide Allowance (VCMA)

## Project Eligibility Assessment (PEA) *Inspire, Chorley Youth Zone*

---

**Emma Turnbull**  
Customer Safeguarding Technical Support  
June 2021



## 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;	<b>Yes</b>
b) Either: <ul style="list-style-type: none"> <li>• Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or</li> <li>• Provide awareness on the dangers of CO, or</li> <li>• Reduce the risk of harm caused by CO;</li> </ul>	<b>Yes - satisfies all 3 criteria</b>
c) Have defined outcomes and the associated actions to achieve these;	<b>Yes</b>
d) Go beyond activities that are funded through other price control mechanism(s) or required through licence obligations; and	<b>Yes</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>Yes</b>
<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;	<b>N/A</b>
b) The household cannot afford to service, repair or replace the unsafe pipework or essential gas appliance; and;	<b>N/A</b>
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.	<b>N/A</b>
<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;	<b>N/A</b>
b) Have the potential to benefit consumers on the participating networks; and	<b>N/A</b>
c) Involve two, or more, gas distribution companies.	<b>N/A</b>

**Gas Network Vulnerability and Carbon Monoxide Allowance (VCMA)  
Governance Document - Project Registration Table 2**

Information Required	Description
Project Title	Inspire, Chorley Youth Zone
Funding GDN(s)	A Cadent-specific project situated in the North West
Role of GDN(s) *For Collaborative VCMA Projects only	Not applicable - Cadent-specific project
Date of PEA Submission	To be confirmed
VCMA Project Contact Name, email and Number	Name: Phil Burrows Position: Customer Vulnerability Social Programmes Delivery Manager Email: phil.m.burrows@cadentgas.com Phone: 07773 545451
Total Cost (£k)	Family Days £10,000.00 (Plus VAT) Inspire Eat £14,000.00 (Plus VAT) £24,000.00 GBP
Total VCMA Funding Required (£k)	£24,000.00 GBP
Problem(s)	<p>Today, young people are being faced with being disadvantaged and a range of inequalities based on their education, employment and wellbeing.</p> <p>Families in the Northwest on low incomes are unable to afford family days out, which can have a huge impact on parents' mental health due to the pressures of modern life. Money worries can cause stress, anxiety, depression which can create a difficult environment within a child's home.</p> <p>The district has approximately 11.2% children living in low-income families. Some children will feel the pressure of trying to provide for their families and this may lead them to crime. <sup>1</sup>Chorley is among the top 10 most dangerous medium-sized towns in Lancashire and is among the top 20 most dangerous overall out of Lancashire's 236 towns, villages, and cities. The overall crime rate in Chorley in 2021 was 89 crimes per 1,000 people.</p> <p><sup>2</sup>In Chorley, 12% of households were living in fuel poverty in 2019. The main factors that determine this is the energy efficiency status of the property and the household income.</p> <p>The community charity, Inspire transform children's lives by supporting youth work, focusing on their personal, social, and emotional</p>

<sup>1</sup> <https://crimerate.co.uk/lancashire/chorley>

<sup>2</sup> <https://www.lancashire.gov.uk/lancashire-insight/area-profiles/local-authority-profiles/chorley-district/>

	<p>development. They create positive role models and address challenges such as mental health and lack of opportunities.</p> <p>The Chorley Youth Zone has created a safe space, where children can go for a hot meal, have someone to talk to and make friendships.</p>
<p><b>Scope and Objectives</b></p>	<p><u>Project Scope:</u></p> <p>Cadent are to provide funding to Inspire, Chorley Youth Zone to enable the delivery of weekly family open days and the Inspire Eat programme.</p> <p>This project is aimed at encouraging low income and some of the hardest to reach families to participate in a wide range of activities and offer support. Members are aged between 8 and 15 years old but is extended up to the age of 25 years for those with additional needs.</p> <p>The family days out will provide 150 hours per year of opportunities, engagement and fun education initiatives that would otherwise be unaffordable for families. These family days are a great opportunity to share gas safety advice, offer energy advice and offer extra support and guidance where needed.</p> <p>The programme will encourage self-confidence, a positive contribution to the community, opportunities to learn new skills and promote happiness and wellbeing.</p> <p><u>Objectives for family days:</u></p> <ol style="list-style-type: none"> <li>1. Provide activities for low-income families that support the development and wellbeing and tackle loneliness.</li> <li>2. Provide gas safety and carbon monoxide awareness, including the distribution of carbon monoxide alarms to customers living in vulnerable situations.</li> <li>3. Provide energy saving advice on appliances efficiency and behaviours.</li> <li>4. Provide support on wider wellbeing and health topics.</li> <li>5. 100 attendees per session, 1x session per week for the duration of the project.</li> </ol> <p><u>Objectives for Inspire Eat programme:</u></p> <ol style="list-style-type: none"> <li>1. The project will allow for the promotion of Cadent's safeguarding messages to an audience of 74,140 individuals including: <ul style="list-style-type: none"> <li>• The promotion of the efficiency, financial and potential health benefits of slow cooking</li> <li>• Provide a wider positive impact to the Inspire Youth Zone and local community through educating young people on how to prepare and cook healthy low cost meals. (Inspire Youth Zone will also support a local homeless charity with providing them the</li> </ul> </li> </ol>

	<p>hot food prepared and made by the children attending the Youth Zone).</p> <p>2. Create social media content that supports the following:</p> <ul style="list-style-type: none"> <li>• Increased awareness of the economical benefits of slow cooking.</li> <li>• Promotion of gas safety and carbon monoxide awareness.</li> <li>• Promotion of energy efficiency and savings.</li> </ul>
<p><b>Why the Project is Being Funded Through the VCMA</b></p>	<p>We believe this project meets all the company specific VCMA criteria:</p> <p><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> <p>We have forecasted a positive social return on investment for this project based on the below rationale:</p> <ul style="list-style-type: none"> <li>• The deliverables necessary to create a positive social return on investment - see the below section for more details.</li> </ul> <p><b>b. Either:</b></p> <ol style="list-style-type: none"> <li><b>Provide support to customers in vulnerable situations and relate to energy safeguarding, or;</b></li> <li><b>Provide awareness on the dangers of CO, or;</b></li> <li><b>Reduce the risk of harm caused by CO.</b></li> </ol> <ul style="list-style-type: none"> <li>• This project meets all three criteria on this point, as customers will receive support with energy/financial advice and carbon monoxide safety.</li> </ul> <p><b>c. Have defined outcomes and the associated actions to achieve these;</b></p> <ul style="list-style-type: none"> <li>• This project has clearly defined actions and associated outcomes, the meeting of which will quantify success. Further information on the project's outcomes and associated actions can be found in the relevant section below.</li> </ul> <p><b>d. Go beyond activities that are funded through other price control mechanisms or required through other licence obligations;</b></p> <ul style="list-style-type: none"> <li>• This project innovatively delivers support to customers in a method that goes beyond other price control activities and licence obligations.</li> </ul> <p><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></p> <ul style="list-style-type: none"> <li>• This project is delivered solely with VCMA funding and a clear structure will be in place to ensure that all aspects of the project are allocated against the VCMA funding.</li> </ul>
<p><b>Evidence of Stakeholder/Customer Support</b></p>	<p>Citizens Advice, National Energy Action and Trussell Trust support our "whole home" approach to tackling fuel poverty. Previously, GDNs have relied on the FPNES as a provision for alleviating fuel poverty in</p>

	<p>homes. However, stakeholders have provided feedback reporting that customers need further support and advice beyond the installation of a gas connection and central heating system.</p> <p>Cadent has recognised this feedback and are working in partnership with Inspire Youth Zone Chorley to offer energy advice including:</p> <ul style="list-style-type: none"> <li>• Carbon Monoxide safety conversations</li> <li>• Energy saving through slow cooking</li> <li>• Energy efficiency</li> </ul>
<p><b>Information Required</b></p>	<p><b>Description</b></p>
<p><b>Outcomes, Associated Actions and Success Criteria</b></p>	<p><u>Project outcomes</u></p> <p>In partnership with Inspire, Chorley Youth Zone, Cadent expects to achieve the following project outcomes. The service will enable local families to access affordable activities and Cadent's key safety and efficiency messaging.</p> <p><u>Family days:</u></p> <ul style="list-style-type: none"> <li>• At least 100 attendees per session with a target of over 700 session.</li> <li>• Providing activities for low-income families that support the development and wellbeing of attendees.</li> <li>• Provide gas safety and Carbon monoxide awareness, including the distribution of Carbon monoxide alarms through the sessions.</li> <li>• Provide energy efficiency advice through the sessions.</li> <li>• Provide support on wider wellbeing and health topics</li> </ul> <p><u>Inspire Eat Programme:</u></p> <p>The project will also allow for the promotion of Cadent's core messaging directly to an audience of 74,140 individuals.</p> <p>Inspire Youth Zone will also create social media content that supports Cadent customers through:</p> <ul style="list-style-type: none"> <li>• Increased awareness of the economical benefits of slow cooking.</li> <li>• Promotion of gas safety and carbon monoxide awareness.</li> <li>• Promotion of energy efficiency and saving.</li> </ul> <p>Finally, the project will deliver a virtual cookbook that summarises key messaging and practical support with slow cooking.</p> <p><u>Associated Actions:</u></p> <p>Cadent are providing training, materials, advice, and carbon monoxide alarms to Inspire, Chorley Youth Zone to support the education of families on the dangers, signs and symptoms of CO.</p> <p><u>Success Criteria:</u></p>

	<p>Cadent will work collaboratively with Chorley Youth Zone to capture data throughout the duration of the 12 months project. This data will help the parities to understand whether the following success criteria has been met.</p> <ol style="list-style-type: none"> <li>2. Average around 1000 attendees will taken part in activities that will help improve their mental health over the 12 month programme</li> <li>3. 1000 families will have Carbon Monoxide and gas safety training</li> <li>4. 1000 families will learn the benefits of slow cooking</li> </ol>
<p><b>Project Partners and Third Parties Involved</b></p>	<p>Cadent is working in partnership with Inspire, Chorley Youth Zone.</p> <p>As part of the project, Inspire will be encouraged to utilise their network of existing partners to offer additional services based on the needs of the customers identified.</p>
<p><b>Potential for New Learning</b></p>	<p>The opportunity to work with partners Inspire Youth Zone Chorley will give Cadent the chance to learn:</p> <ul style="list-style-type: none"> <li>• Which resource and training is the most effective to our customers</li> <li>• What energy advise is relevant this year compared to previous years since the energy crisis</li> <li>• Learn energy saving tips from the families going through fuel poverty</li> </ul>
<p><b>Scale of VCMA Project and SROI Calculations</b></p>	<p><u>Project scale</u> Family day out project will reach 4800 attendees over 12-month duration. The project will be delivered in Chorley and the surrounding areas.</p> <p>Inspire Eat Project will reach 75,900 audience with Cadent core messaging on gas safety and advise through different channels.</p> <p><u>Investment calculations</u></p> <ul style="list-style-type: none"> <li>- Invest = £24,000</li> <li>- 1 year SRIO = £32,137.872</li> <li>- 5 year SROI = £280,689.36</li> <li>- 5 year gross present value = £256,689.36</li> </ul> <p><u>The Issuing of Carbon Monoxide Alarms</u></p> <p>A 5-year gross present value of £6,545.80 has been created through the issuing of 600 carbon monoxide alarms.</p> <p>The following assumptions have been made as part of the below calculations:</p> <ul style="list-style-type: none"> <li>• Each alarm that is provided will be installed by the customer in their home. It is assumed that all of the people that this initiative reaches take action.</li> </ul>

- The average household size in the UK is <sup>3</sup>2.4 people.

### The avoidance of A&E visits due to CO poisoning

- Approximately 600 households received a carbon monoxide alarm through this project.
- The average household in the UK contains 2.4 people, giving a total project reach of 1440 people.
- Statistics report that there are <sup>4</sup>4,000 A&E visits per year attributable to CO in England.
- The population of England is reported as <sup>5</sup>55,619,430, with the A&E visits linked to CO representing 0.00719% of the population.
- 0.00719% of 4,291 customers equates to 1.543 avoided A&E visits across the five years of RIIO-GD2.
- An A&E visit costs the NHS <sup>6</sup>£134 on average, giving a total 5-year saving of £206.77

### Social Return from a Reduction in Long Term Hospital Visits Linked to CO

- 600 households received a carbon monoxide alarm through this project.
- The average household in the UK contains 2.4 people, giving a total project reach of 1440 people.
- Statistics report that there are <sup>7</sup>200 long-term hospital visits each year attributable to CO in England and Wales.
- The population of England and Wales is reported as <sup>8</sup>58,744,595, with long-term hospital visits linked to CO representing 0.00034% of the population.
- 0.00034% of 4,291 customers equates to 0.0730 avoided long-term visits across the five years of RIIO-GD2.
- A long-term hospital visit costs the NHS <sup>9</sup>£3,026 on average, giving a total 5 year saving of £74.18

### Social Return from a Reduction in Injuries Caused by CO that Lead to Time of Work

- 600 households received a carbon monoxide alarm through this project.

<sup>3</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/bulletins/familiesandhouseholds/2016>

<sup>4</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/260211/Carbon\\_Monoxide\\_Letter\\_2013\\_FinalforPub.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/260211/Carbon_Monoxide_Letter_2013_FinalforPub.pdf)

<sup>5</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland> (2017 figure)

<sup>6</sup> <https://www.pssru.ac.uk/pub/uc/uc2018/services.pdf>

<sup>7</sup> [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/260211/Carbon\\_Monoxide\\_Letter\\_2013\\_FinalforPub.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/260211/Carbon_Monoxide_Letter_2013_FinalforPub.pdf)

<sup>8</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland> (2017 figure)

<sup>9</sup> <https://www.pssru.ac.uk/pub/uc/uc2018/services.pdf>

- The average household in the UK contains 2.4 people, giving a total project reach of 1440 people.
- Statistics report that there are 200 long-term hospital visits each year attributable to CO in England and Wales.
- The population of England and Wales is reported as 58,744,595, with long-term hospital visits linked to CO representing 0.00034% of the population. Customers admitted to hospital long-term are likely to take time off work as a result of their injury.
- 0.00034% of 4,291 customers equates to 0.0730 customers avoiding time off work and long-term visits across the five years of RIIO-GD2.
- The cost of time off work as a result of an injury costs £233.76 per occurrence. This gives a total 5 year saving of £5,73

### Social Return from a Reduction in Deaths Linked to CO

- 600 households received a carbon monoxide alarm through this project.
- The average household in the UK contains 2.4 people, giving a total project reach of 1440 people.
- Statistics report that there are <sup>10</sup>30.3 deaths per year in the UK linked to CO.
- The population of the UK is <sup>11</sup>66,040,200, with deaths attributable to CO representing 0.0000459% of the population.
- 0.0000459% of 4,291 customers equates to 0.0098 avoided fatalities linked to CO across the 5-year period of RIIO-GD2.
- The value of preventing a death to UK PLC is <sup>12</sup>£1,897,129. This gives a total five-year value of £6267,06

### Social Return from Avoided Ambulance Calls

- 600 households will receive a carbon monoxide alarm through this project.
- The average household in the UK contains 2.4 people, giving a total project reach of 1400 people.
- Sia Partners worked on an assumption that \*100% of patients who are taken to A&E due to CO poisoning are transported by ambulance.
- Statistics report that there are 4,000 A&E visits per year attributable to CO in England.

<sup>10</sup> <http://www.co-gassafety.co.uk/wp-content/uploads/2019/01/Statistics-sheet-presspack-Jan-2019-18.01.19.pdf>

<sup>11</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates> (2017 figure)

<sup>12</sup> <https://www.gov.uk/government/statistical-data-sets/ras60-average-value-of-preventing-road-accidents>

- The population of England is reported as <sup>13</sup>55,619,430, with the A&E visits linked to CO representing 0.00719% of the population.
- 0.00719% of 4,291 customers equates to 1.543 avoided A&E visits across the five years of RIIO-GD2.
- The average cost of an ambulance call is <sup>14</sup>£250, giving a total 5-year saving of £129,45

### The Issuing of Carbon Monoxide Education

A 5-year gross present value of £20,946.56 has been created through offering carbon monoxide education to 2400 customers.

Sia Partners also evaluated the levels of social return that can be expected from educating customers on the signs, symptoms and dangers of carbon monoxide.

Each customer that requests a CO alarm will also receive some supporting educational materials on carbon monoxide.

The analysis found that social return could be identified from the same sources and calculations as CO alarms (avoided A&E visits, avoided long-term hospital visits, avoided time off work due to injury, avoided CO-related deaths and avoided ambulance call).

However, a retention rate must be applied, as it is not reasonable to expect all customers to read and retain the information contained on the Cadent CO-educational materials.

A retention rate of 60% has been applied to this project, meaning that 6 out of 10 customers that receive Cadent's CO-educational materials will read and retain the information.

The below social return is forecast based on a 60% retention rate:

### Social Return from the Avoidance of A&E Visits due to CO Poisoning

- Forecasted 5-year social return = £222.03

### Social Return from a Reduction in Long Term Hospital Visits Linked to CO

- Forecasted 5-year social return = £237.36

### Social Return from a Reduction in Injuries Caused by CO that Lead to Time of Work

- Forecasted 5-year social return = £18.34

### Social Return from a Reduction in Deaths Linked to CO

- Forecasted 5-year social return = £20,054,58

### Social Return from Avoided Ambulance Calls

- Forecasted 5-year social return = £414.24

<sup>13</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwales/scotlandandnorthernireland> (2017 figure)

<sup>14</sup> <https://www.pssru.ac.uk/pub/uc/uc2018/services.pdf>

	<p><u>The issuing of energy and income advice</u></p> <p>Cadent has identified that social value can be realised from the issuing of home energy advice, helping a household to improve their efficiency.</p> <p>On this project, energy advice will take the form of priority service register registration, efficient use of appliances and behaviours and heating and hot water controls.</p> <p>Cadent worked with industry consultants SIA Partners to understand the average 5-year gross present value of issuing energy advice. This analysis informed Cadent that each topic realises an average of:</p> <ul style="list-style-type: none"> <li>• Priority Services Register = £143.89</li> <li>• Efficient use of appliances and behaviours = £367.77</li> <li>• Heating and hot water controls = £332.33</li> </ul> <p>We estimate that a customer will receive advice on at least one topic when being supported with energy efficiency.</p> <p>Individually, the average social value for these topics is £281.33.</p> <p>Across the 12-months of the project, approximately 2,400 customers will be reached through the project. We forecast that between 25% - 50% of customers will specifically receive support on energy advice - between 600 - 1200 people.</p> <p>Based on this number of people, we forecast that a social value of between £168,798 - £357,596 will be realised - an average of £253,197.00.</p>
<p><b>VCMA Project Start and End Date</b></p>	<p>May 2022-May 2023</p>
<p><b>Geographical Area</b></p>	<p>Chorley and surrounding areas in Cadent's Northwest Network</p>
<p><b>Remaining Amount in the Allowance at Time of Registration</b></p>	<p>TBC upon registration of the project.</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: September 2022	Review Completed By: Gemma Norton
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: September 2022	Review Completed By: Philip Burrows
Step 3: Director of Sustainability and Social Purpose Sign-Off: Mark Belmega	
Director of Sustainability and Social Purpose Sign-Off Date: 13 October 2022	
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 2022	
Date that Notification Email Sent to Ofgem: October 2022	