

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)

Collaborative GDN Winter Awareness Campaign

Mark Belmega
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7th December 2021

Gas Network Vulnerability & Carbon Monoxide Allowance (VCMA) Governance Document - Project Eligibility Criteria

<p>Section 1 - Eligibility criteria for company specific projects (other than condemned essential gas appliance repair and replacement)</p> <p>In order to qualify as a VCMA project, a project must:</p>	
VCMA Eligibility Criteria	Criteria Satisfied (Yes/No)
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"> 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 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
<p>Section 2 - Eligibility criteria for company specific essential gas appliance servicing, repair and replacement projects</p> <p>In order to qualify as a VCMA project, unsafe pipework and essential gas appliance servicing, repair or replacement must meet the following criteria:</p>	
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
<p>Section 3 - Eligibility criteria for collaborative VCMA projects</p> <p>In order to qualify as a collaborative VCMA project, a project must:</p>	
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	Yes
c) Involve two, or more, gas distribution companies.	Yes

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

Information Required	Description: The project involves the design and implementation of a comprehensive winter marketing and communications strategy across all four Gas Distribution Networks, creating a central voice, raising awareness of Carbon Monoxide, the National Helpline and the Priority Services Register.															
Project Title	Collaborative GDN Winter Awareness Campaign															
Funding GDN(s)	<table border="0"> <tr> <td>Cadent</td> <td>49.8061%</td> <td>£190,920.29</td> </tr> <tr> <td>NGN</td> <td>11.5565%</td> <td>£44,113.57</td> </tr> <tr> <td>SGN</td> <td>27.0710%</td> <td>£104,085.66</td> </tr> <tr> <td>WWU</td> <td>11.5664%</td> <td>£44,151.36</td> </tr> <tr> <td>Total</td> <td>100%</td> <td>£383,270.88</td> </tr> </table>	Cadent	49.8061%	£190,920.29	NGN	11.5565%	£44,113.57	SGN	27.0710%	£104,085.66	WWU	11.5664%	£44,151.36	Total	100%	£383,270.88
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Role of GDN(s) *For Collaborative VCMA Projects only	<p>Following the success of its summer CO awareness campaign (also utilising VCMA funds), the GDNs have worked with the external marketing and communication organisation, Jseven Media to develop a holistic marketing programme to raise awareness of the PSR, CO poisoning and the national gas emergency number for suspecting CO, through a range of channels, including radio, buses, phone kiosks, posters, billboards, social media and the web.</p> <p>Cadent took the lead in managing the campaign with Jseven media and worked together with the GDNs to agree associated messaging and marketing material, which was shared with representatives across all GDNs to ensure a collective sign off.</p>															
Date of PEA Submission	7 th December 2021															
VCMA Project Contact Name, email and Number	Suzanne Callington, suzanne.callington@cadentgas.com , 07866849082															
Total Cost (£k)	£383,270.88															
Total VCMA Funding Required (£k)	£383,270.88															
Problem(s)	<p>The colder months of winter represent added risk and challenge for many customers living in vulnerable situations. An increase in the demand for energy not only increases the cost of energy bills, but also increases the risk of issues being identified with household gas supplies and appliances and increases the risk of incidents relating to CO poisoning. This winter perhaps presents an even greater challenge than in previous years with the added financial burden placed on many families as a result of the response to the COVID-19 pandemic and rising prices across many commodities, including energy.</p> <p>By registering on the PSR, organisations such as GDNs are able to identify the reasons behind customers' vulnerabilities and take additional actions in order to support them when delivering key services. However, it is estimated that c.6m customers, who could be registered, are not.</p> <p>Another known issue is that whilst carbon monoxide alarms are widely available, less than 50% of homes have one installed – these alarms can genuinely save lives.</p> <p>The winter awareness campaign will focus on both these issues, increasing customer knowledge of how to register for the PSR, recognising the symptoms of CO poisoning and the steps and actions they can take to protect themselves from the potential harm of CO.</p> <p>Additionally, we will use the awareness campaign to raise awareness of the national gas emergency helpline so that customers are aware of what number to call if they suspect CO.</p>															
Scope and Objectives	<p>The scope extends to CO awareness, the national gas emergency helpline and the priority services register.</p> <p>The project has three main objectives:</p> <ol style="list-style-type: none"> 1. Raise Awareness - Use mass reaching channels to launch with a memorable device; priming audiences to look out for winter related Carbon Monoxide concerns and awareness of the PSR. Channels utilised will include posters across London Underground stations, bus streetliners, phone kiosks, Facebook and Instagram. 2. Education and Consideration - Use of contextually relevant dwell channels and useful content to be consistently present and engaging once people are aware of Carbon Monoxide and the PSR, building trust and consideration. 															

	<p>Channels will include radio, Spotify audio and display, Google display, Facebook remarketing, Google and Microsoft search, and print and online press.</p> <p>3. Take action - Use targeted, contextual, agile channels and messages to offer an immediate solution to their concern. This will include programmatic campaigning, Google display, Facebook and Instagram.</p>
Why the Project is Being Funded Through the VCMA	The project meets all of the VCMA eligibility criteria and builds off the success of Cadent's summer CO awareness campaign, which is estimated to have been seen by around 20.8 million people.
Evidence of Stakeholder/Customer Support	<p>Throughout the RIIO-2 business planning process each GDN engaged extensively with customers and expert stakeholders to inform their customer vulnerability strategies. Common themes amongst all findings relate to high levels of customer support for GDNs utilising a wide range of techniques to raise awareness of CO, the PSR and other aspects of gas safety, including the national helpline.</p> <p>All GDNs have customer challenge forums in place which have supported customer vulnerability strategies and advocated increased awareness being facilitated of the matters included in this scope.</p>
Outcomes, Associated Actions and Success Criteria	<p>As a result of this project, we anticipate generating over 100m impressions with customers – i.e. the messages we deliver will be seen or heard over 100m times.</p> <p>As a result of the mass awareness campaign, overall levels of CO, PSR and national helpline awareness will increase.</p> <p>Whilst it will be difficult to directly correlate this into the number of CO alarms bought, currently installed, PSR conversations initiated, PSR registrations made or the impact for customers knowing who to call in the event of them smelling gas, Sia Partners (who we have worked with to support our SROI calculations) estimate up to a 24% rate of action as a result of reading material on a billboard.</p> <p>We will be able to assess, retrospectively, the output of the project by using 'event tagging' across our range of websites.</p>
Project Partners and Third Parties Involved	We have engaged with Jseven Media to utilise their extensive experience in creating customer impressions to develop all aspects of our marketing material and arrange the logistics to implement them.
Potential for New Learning	All projects offer unique learning experiences. In particular the 'event tagging' applied to this project will help us to understand which channels result in the highest levels of additional interest being generated, and ultimately action taken.
Scale of VCMA Project and SROI Calculations	<p>Based on the experience of Jseven Media, we anticipate over 100m customer impressions being generated. Of course, some customers will experience multiple impressions, but given Cadent's experience of its summer CO campaign, which only operated in Cadent networks (and did not utilise the full range of channels being applied here), we estimate that over 20m customers will ultimately see or hear the information that we are providing.</p> <p>Cadent have developed a comprehensive SROI calculation tool in conjunction with Sia Partners. Whilst it measures a wide variety of societal benefits from projects that have been initiated, for this project we have simply focussed on the societal benefits of raising awareness of the PSR and of the potential dangers of CO.</p> <p>Detailed calculations can be made available on request, but all data used is based on government Green Book sources and all assumptions made have been documented. The benefits calculated for the project are all based on improved societal health based on customers taking some form of action to minimise the risks of harm from natural gas or CO. The calculations consider how, for example, the installation of a CO alarm could reduce the likelihood of illness, death and the costs associated with responding to and treating someone who has been poisoned by CO.</p> <p>Whilst Sia have previously calculated that there is a 24% action rate based on individuals reading billboard information, this is based on a variety of different billboard advertising campaigns and the stat is difficult to categorically prove.</p> <p>We have therefore used a much more conservative estimate based on 1% of those who see / hear our messages taking some form of positive action – either in relation to the PSR or CO awareness. For the purposes of the calculation, we have assumed that half of the actions result in the avoidance of a CO related incident and half in a PSR customer registration.</p> <p>That means that 100,000 additional PSR registrations will result from the campaign, with an associate SROI social value of £143.89 per registration, totalling £14,389,000.</p>

	<p>It also means that 100,000 customers will be made aware of the potential harm of CO and take action to reduce the likelihood of it in their home. The SROI social value associated with this is £1,090,966.60. Totalling a figure of £15,479,966.60</p> <table border="1"> <tr> <td>Project cost:</td> <td>£383,270.88</td> </tr> <tr> <td>5 year forecast social value</td> <td>£15,479,966.60</td> </tr> <tr> <td>5 year forecast social value (minus project cost)</td> <td>£15,096,695.72</td> </tr> <tr> <td>5 year net SROI figure per £1 spent</td> <td>£39.30</td> </tr> </table>	Project cost:	£383,270.88	5 year forecast social value	£15,479,966.60	5 year forecast social value (minus project cost)	£15,096,695.72	5 year net SROI figure per £1 spent	£39.30
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VCMA Project Start and End Date	<ul style="list-style-type: none"> The project will go-live with Google and Microsoft search remarketing and Facebook and Instagram campaigns during w/c 13th December 2021. Posters and other printed advertising will operate for the first half of January 2022. Radio bursts will take place between 10th-16th Jan, 24th – 30th Jan, 7th – 13th Feb and 21st-27th Feb 2022 The project will end in March with an assessment of the outcomes generated by the end of the month 								
Geographical Area	National, across all GDN footprints								
Remaining Amount in the Allowance at Time of Registration	<p>Amount before this project: £12,117,734 <i>**based on CO in Pregnancy, Scouts, CA National and Fuel Bank Foundation being the only confirmed spend at time of registration.</i> Project costs: £48,880 Remaining following this project: £12,068,854</p>								

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: GDN Collaboration Group PEA Review Meeting date review completed: 1st Feb 2022 Review completed by:</p> <table border="1"> <thead> <tr> <th>GDN:</th> <th>Name:</th> <th>Job Title:</th> </tr> </thead> <tbody> <tr> <td>Cadent</td> <td>Suzanne Callington</td> <td>Customer Safeguarding Specialist</td> </tr> <tr> <td>NGN</td> <td>Steve Dacre</td> <td>Vulnerability Innovations Lead</td> </tr> <tr> <td>SGN</td> <td>Dan Edwards</td> <td>Social Impact Programme Lead</td> </tr> <tr> <td>WWU</td> <td>Elizabeth Warwick</td> <td>Stakeholder Engagement Manager</td> </tr> </tbody> </table>			GDN:	Name:	Job Title:	Cadent	Suzanne Callington	Customer Safeguarding Specialist	NGN	Steve Dacre	Vulnerability Innovations Lead	SGN	Dan Edwards	Social Impact Programme Lead	WWU	Elizabeth Warwick	Stakeholder Engagement Manager
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Stage 3: Participating GDN individual signatory sign-off

GDN	Name:	Job Title:	Signature:	Date:
Cadent:	Phil Burrows	Head of customer vulnerability social programme delivery		11/02/22
NGN:	Eileen Brown	Customer Experience Director		17.02.2022
SGN:	Rob Gray	Director of Stakeholder & Communications		10/02/22
WWU:	Nigel Winnan	Customer and Social Obligations Strategy Manager		16/02/22

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: February 2022

Date that Notification Email Sent to Ofgem: 28th February 2022