

# Vulnerability & Carbon Monoxide Allowance (VCMA)

## Project Eligibility Assessment (PEA)

*Fire & Rescue Services CO collaboration  
(updated)*

*Suzanne Callington*

---

March 2023



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

<b>Section 1 - Eligibility criteria for company specific projects (excluding boiler repair &amp; 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 Social Return on Investment (SROI), including the potential to have a Net Benefit to the customers on the funding GDN's network(s);	<b>Yes</b>
b) Either: <ul style="list-style-type: none"> <li>i. Provide a direct Net Benefit to consumers in vulnerable situations, or</li> <li>ii. Provide awareness on the dangers of CO, or</li> <li>iii. Reduce the risk of health issues caused by CO;</li> </ul>	<b>Yes</b>
c) Have defined outputs and deliverables;	<b>Yes</b>
d) Have defined outcomes, where considered appropriate by the GDN;	<b>Yes</b>
e) Relate to energy, or CO safety;	<b>Yes</b>
f) Go beyond activities that are funded through another price control mechanism or required through licence obligations; and	<b>Yes</b>
g) Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding.	<b>No</b>
<b>Section 2 - Eligibility criteria for company specific boiler repair and replacement projects</b>	
Condemned boiler repairs or replacements are eligible as VCMA projects where:	
a) A GDN has to isolate and condemn an unsafe boiler following a supply interruption or as part of its emergency service role;	<b>N/A</b>
b) The household cannot afford to repair or replace the boiler, and;	<b>N/A</b>
c) Sufficient funding is not available from other sources (including national, devolved or local government funding) to fund the boiler 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 have a direct Net Benefit to customers 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**

<b>Information Required</b>	<b>Description</b>
<b>Project Title</b>	Fire & Rescue Services CO Collaboration (updated March 2023)
<b>Funding GDN(s)</b>	Cadent
<b>Role of GDN(s) *For Collaborative VCMA Projects only</b>	N/A
<b>Date of PEA Submission</b>	28/2/2023
<b>VCMA Project Contact Name, email and Number</b>	Suzanne Callington <a href="mailto:Suzanne.callington@cadentgas.com">Suzanne.callington@cadentgas.com</a> 07866 849082
<b>Total Cost (£k)</b>	£100,000.00
<b>Total VCMA Funding Required (£k)</b>	£100,000.00*  *We have reviewed our spend in year 1 and have adjusted the overall spend from £125,000.00 to £100,000.00. This new amount still allows us to complete the dementia diaries update each year and print them as well as supporting other projects that arise. CO alarm costs are not included in this PEA. The cost adjustment doesn't affect the total number of customers we aim to reach in partnership with the FRS when it comes to CO awareness.
<b>Problem(s)</b>	<p>Across England, approximately 2,000 people are hospitalised every year due to suspected carbon monoxide poisoning with a further 40 deaths reported.</p> <p>Between 60% and 70% of homes across Cadent's footprint do not have an audible CO alarm installed. Customers living in vulnerable situations, including fuel poverty, may not have the financial means to purchase an audible carbon monoxide alarm or be able to afford the costs of annual gas appliance servicing; placing them at higher risk of exposure to the dangers of CO. Cadent estimates that the COVID-19 pandemic has intensified this risk as more homes face financial hardship.</p> <p>Whilst CO alarms are widely recognised as a critical in-home safety device, it is also important to educate on the dangers of carbon monoxide and how families can stay safe. This includes education around the importance of annual gas appliance checks, as well as knowing and understanding the signs and symptoms of CO.</p>
<b>Scope and Objectives</b>	<p>Cadent's footprint is served by 24 Fire and Rescue Services (FRS). The FRS visit a combined 150,000 homes a year as part of their Safe and Well visits.</p> <p>Through these visits, the FRS already engage customers with key messaging around the energy safeguarding services that Cadent offer such as the importance of registering on the PSR,</p>

	<p>carbon monoxide awareness and the issuing of an audible CO alarm where appropriate.</p> <p>We also work collaboratively with the FRS on other initiatives designed to support a variety of demographics including customers:</p> <ul style="list-style-type: none"> <li>• Suffering with dementia</li> <li>• Experiencing issues with hoarding</li> <li>• Living in fuel poverty</li> </ul> <p>The FRS is a recognised and trusted local organisation and many customers who are often hard to reach allow access into their homes.</p> <p>By working in partnership with the FRS, Cadent aim to achieve the following objectives:</p> <ul style="list-style-type: none"> <li>• Reach up to 150,000 customers living in vulnerable situations and share information on the signs, symptoms and dangers of carbon monoxide and issues CO alarms to those customers particularly at risk.</li> <li>• Identify and support customers with additional needs beyond advice on CO safety. This includes supporting customers with wider wellbeing issues including hoarding, help with alleviating fuel poverty and support for those suffering with dementia.</li> </ul>
<p><b>Why the Project is Being Funded Through the VCMA</b></p>	<p>The project will directly provide information to customers living in vulnerable situations, raising their awareness on the dangers of carbon monoxide. Furthermore, this project will also reduce our customer's risk of exposure and harm caused by CO through the issuing of key safety messaging and the installation of CO alarms.</p> <p>The project will also provide wider support to customers living in vulnerable situations through the broader safeguarding services offered by the FRS, including support for customers living in fuel poverty, customers experiencing issues with hoarding and customers living with dementia.</p> <p>This project's unique method of delivering critical safety information to customers via the FRSs Safe and Well visits innovatively supports customers living in vulnerable situations. No other Cadent price control mechanism or licence obligation allows Cadent to target customers at risk of exposure to the dangers of CO.</p> <p>This project will be 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. Our partners at the FRS are aware of the need for a clear division between VCMA funded project activities and other FRS allowances.</p>
<p><b>Evidence of Stakeholder/Customer Support</b></p>	<p>Cadent conducted extensive stakeholder and customer feedback in order to shape the strategy for investment of VCMA funding, particularly for projects centred around CO.</p> <p>Stakeholders including Katie Haines Memorial Trust, Groundwork, Citizens Advice, BEIS and NEA reported that</p>

	<p>general public awareness on carbon monoxide was high, and that a general understanding on the dangers of CO exists.</p> <p>However, many stakeholders reported that a knowledge gap existed in customer's understanding on the preventative measures a household can take to reduce the risk of harm caused by CO.</p> <p>As such, Cadent has worked with the FRS to modify the project's information materials to ensure customer awareness is improved on the importance of regular appliance servicing and the importance of maintaining clear chimneys etc.</p> <p>Cadent also received stakeholder feedback on the importance of a cohesive approach to supporting customers and making every contact count. Stakeholders referenced historical schemes, whereby an organisation may make multiple attempted to engage a customer, each attempt around a different message/service.</p> <p>Cadent has acknowledged this stakeholder feedback and as well as offering information on CO, the FRS will offer customers help with more broader welfare services, including support with alleviating fuel poverty, PSR registration, hoarding issues and support for customers living with dementia. This ensures that Cadent makes every contact count.</p>
<p><b>Outcomes, Associated Actions and Success Criteria</b></p>	<p>The project centres around Cadent providing funding to the FRS to enable each FRS to provide a greater level support to customers reached through the Safe and Well visits. This support will include:</p> <ul style="list-style-type: none"> <li>• Information on the signs, symptoms and dangers of carbon monoxide,</li> <li>• Advice on preventative measures including the importance of regular gas appliance servicing and the installation of an audible carbon monoxide alarm.</li> <li>• Advice on the PSR and how to register on it</li> <li>• Wider support with other vulnerability issues including hoarding, fuel poverty and dementia.</li> </ul> <p><u>Project Outcomes</u></p> <p>Cadent will work in partnership with the 24 FRS across its footprint to achieve the following project outcomes:</p> <ul style="list-style-type: none"> <li>• We estimate that approximately 150,000 customers will be engaged through this project; with each customer receiving information on the signs, symptoms and dangers of CO with around 10% being issued CO alarms (15,000)</li> <li>• Customers reached as part of the project will also receive support with wider services (where appropriate) including advice on PSR registration, referrals to external welfare agencies (e.g. foodbanks) and support with alleviating fuel poverty.</li> </ul> <p>We expect this project to achieve a positive SROI. This has been forecasted based on:</p> <ul style="list-style-type: none"> <li>○ Applying transferable learning from previously delivered projects,</li> </ul>

- Comparing the project costs with the expected number of customers receiving benefit, and,
- Conversations with SROI consultancy experts such as SIA Partners and Social Value Business.
- Customers engaged across the project area will report:
  - An increased awareness on the signs, symptoms and dangers of carbon monoxide.
  - Increased feelings of safety at home due to an improved awareness of the preventative measures associated with CO.
  - Increased levels of comfort and security, due to benefitting from additional referral services such as PSR registration, fuel poverty alleviation advice and wider support (e.g. food banks, hoarding, debt advice).

### Associated Actions

In partnership with the 24 FRSs across our footprint, we will provide funding, training materials, literature and support to enable the FRS to effectively deliver key CO safety information to customers identified as part of their Safe and Well home visits.

As well as enabling FRS colleagues to support customers with CO awareness, Cadent will also equip staff with additional referral channels designed to provide customers with added services based on their needs (e.g. a referral method into National Energy Action for support with alleviating fuel poverty).

In order to accurately quantify the reach of the project and the types of information/services offered to customers, Cadent will work with the FRS to effectively and securely capture data relating to the project. All data will be anonymised, and the two organisations will work collaboratively to adhere to GDPR regulations.

Cadent expects to directly reach 150,000 customers through engagement via the FRS Safe and Well visits.

Cadent will also evaluate the success of the project based on the achievement of a positive social return on investment. Although Cadent has highlighted factors that we believe will lead to a positive SROI, full evaluation at the end of the project will determine the extent of the project's social return.

As well as aiming to reach a target number of customers, Cadent and the FRS will review the qualitative benefits/indicators of the project as part of the final evaluation.

Meeting of the below indicators will help Cadent determine the success of the project:

- Project customers risk of exposure to the dangers of CO is reduced. This risk will be reduced through:
  - Customers having an increased knowledge on the signs and symptoms of carbon monoxide.

	<ul style="list-style-type: none"> <li>○ Customers having an improved awareness on the preventative measures of CO (e.g. annual servicing of gas appliances, regular sweeping of chimneys etc.)</li> <li>○ Customers show an increased understanding on what actions to take in the event they suspect the presence of carbon monoxide in their home.</li> <li>● Eligible project customers receive access to wider support if living in other forms of hardship:             <ul style="list-style-type: none"> <li>○ Customers identified via the project that are living in fuel poverty receive support from external experts such as National Energy Action. This should ultimately lead to customers reporting their homes as more adequately heated and safer to live in.</li> </ul> </li> </ul>
<p><b>Project Partners and Third Parties Involved</b></p>	<p>Cadent's principle partners will be the FRS across each of our 4 gas distribution networks.</p> <p>In addition to the FRS, third parties such as local authorities, food banks, health services and charities (such as NEA) will have links into the project through referrals generated from the FRS Safe and Well visits.</p>
<p><b>Potential for New Learning</b></p>	<p>This project presents Cadent with the opportunity to gather learning that may be applicable to future VCMA projects:</p> <p>Firstly, the project will provide Cadent with a greater understanding on the attitudes and existing knowledge on CO amongst customers engaged by the project. Through the nature of homes typically supported through the FRSs Safe and Well visits, we estimate that many customers engaged by the project may be living in vulnerable situations.</p> <p>Secondly, engaging customers on CO messaging through Cadent's BAU activities can be very circumstantial. e.g. a customer must be living on a street affected by mains replacement or must report a suspected gas emergency. Although these activities allow Cadent to engage hundreds of thousands of customers each year, the use of the FRSs Safe and Well visits will allow us to understand what other audiences are targeted through a different method of engagement.</p>
<p><b>Scale of VCMA Project and SROI Calculations</b></p>	<p>Through awareness on the signs, symptoms and dangers of CO, this project has the potential to reduce the risk of hospital admissions due to CO in customers engaged by the project.</p> <ul style="list-style-type: none"> <li>● Based on educating 150,000 customers on CO dangers – this generates a SROI of £1,309,159.92</li> <li>● The total gross SROI is £1,309,159.92</li> <li>● The total cost is £100,000</li> <li>● The total net benefit is therefore – £1,209,159.92</li> </ul> <p>Total net SROI per year - £ 241,831.984</p>
<p><b>VCMA Project Start and End Date</b></p>	<p>Start date: 1st April 2021 End date: 30<sup>th</sup> March 2026</p>

<b>Geographical Area</b>	This project will cover the 24 FRS operational areas across Cadent's geographic footprint. These areas extend across all 4 of Cadent's networks.
<b>Remaining Amount in the Allowance at Time of Registration</b>	N/A

## 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 PEA Peer Review	
Date Immediate Team Peer Review Completed: 16/03/23	Review Completed By: Gemma Norton
Stage 2: Sustainability and Social purpose Management Review	
Date Management Review Completed: 16/03/23	Review Completed By: Phil Burrows
Step 3: Director of Sustainability and Social purpose Sign-Off: Mark Belmega	
Director of Sustainability and Social Purpose Sign-Off Date: 21/03/23	
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: March 23	
Date that Notification Email Sent to Ofgem: March 23	