

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)
East Suffolk Council

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February 2024



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 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
Section 2 - Eligibility criteria for company specific essential gas appliance servicing, repair and replacement projects	
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;	Not Applicable
b) The household cannot afford to service, repair or replace the unsafe pipework or essential gas appliance; and;	Not Applicable
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.	Not Applicable
Section 3 - Eligibility criteria for collaborative VCMA projects	
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;	Not Applicable
b) Have the potential to benefit consumers on the participating networks; and	Not Applicable
c) Involve two, or more, gas distribution companies.	Not Applicable

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

Information Required	Description
Project Title	Centre for Warmth – East Suffolk Council
Funding GDN(s)	Cadent company specific project
New/ Updated	New
Role of GDN(s) *For Collaborative VCMA Projects only	Not applicable
Date of PEA Submission	February 2024
VCMA Project Contact Name, email and Number	Name: Phil Burrows Title: Head of Customer Vulnerability Social Programme Delivery Email: Phil.m.burrows@cadentgas.com Number: 07773 545451
Total Cost (£k)	Centre Costs: £336,529.00 Slow Cookers: £10,440.00 Project Management costs: £13,878.76 Total Project costs: £360,847.76
Total VCMA Funding Required (£k)	£360,847.76
Problem(s)	<p>There is a stark divide throughout Suffolk as despite the region having relatively low levels of deprivation, there are areas where poor income, education and access to housing are a major problem. Ipswich, Lowestoft, and Colchester are among the most deprived areas in the country according to the latest indices of deprivation.</p> <p>14.5% of all households in Suffolk (48,684) were estimated to be in fuel poverty in 2019, this could rise to 100,000 by the end of 2023.¹</p> <p>In Suffolk, close to 29% of properties are off-grid for gas—double the national average for England. That is 29% that do not benefit from the cap on gas prices. The Government have recognised the need to support those off-grid by offering an additional £100 per year in support but given the price of fuel oil, more support is required.²</p>
Scope and Objectives	<p><u>Project Scope</u></p> <p>Cadent will invest £360,847.76 to East Suffolk Council to deliver a two year Centre for Warmth project across four centres. The centres launch will be phased six months apart to ensure the project mobilisation is a success.</p> <p>The project will be data-led, focusing on areas of high deprivation.</p> <p>The proposed model is to bring together the organisations working in these geographical areas, under the umbrella of the Centre for Warmth to create a household focused support network. Community Action</p>

¹ www.healthysuffolk.org.uk/jsna/state-of-suffolk-report/sos19-where-we-live

² www.cofesuffolk.org/news/fuel-poverty-will-affect-up-to-100000-suffolk-households-by-the-end-of-the-year.php

Suffolk will be key to this process with their established knowledge of local communities. The combined impact of all the partners working together, with the opportunity to publicise and promote the support and offer enhanced services will mean more effective delivery than the individual organisations can achieve. Whichever organisation makes the initial contact, they will have the ability to simply refer on to the other organisations who are part of the centre. So, for example an initial contact about housing standards can be referred for financial and budgeting advice; a fire safety visit; energy efficiency measures; “cooking on a budget” classes; befriending etc. There is an existing Suffolk Information Partnership that works on a similar shared information basis that may be utilised for this project (as many partners are already involved). If more efficient, an alternative e-form for referrals could be developed.

The project will operate local events at one or more community hubs depending on the nature of the community. Some of these may have already been used to provide Warm Rooms over the winter. These local community facilities will be supported with a small grant to provide a space for activities and networking. Where appropriate, activities could be held at a number of different venues to widen access to as much of the community as possible.

The first centre will be set up in the Lowestoft ward of Kirkley and Pakefield. The second project area will be based in Ipswich and the third in West Suffolk.

The two-year 2023-2025 agreement replicates the previous project model in other Centres for Warmth, whereby specialist benefits advisors are employed using the VCMA. This service provided vulnerable households with essential financial support and also created a very strong social return on investment (SROI). Alongside specialist benefits advice, the centre will also offer essential information on carbon monoxide (CO) safety and the priority services register (PSR).

One Project Manager – this person will oversee the staff to ensure all targets and measures agreed are met to ensure project success.

Three and a half Advice and Support Officers - these roles will provide advice, support and referrals to the community that are already participants of Suffolk centres.

Community Support – this includes cooking on a budget with slow cookers, community events and activities to focus on mental health and wellbeing.

CO awareness sessions – this will offer group sessions on the dangers of CO, signs and symptoms and will supply a CO alarm to the most vulnerable families and those who cannot afford to purchase one.

This total reach will be divided between:

- 4,800 individuals across all centres receiving income maximisation advice.
- 4,800 individuals across all centres receiving energy efficiency advice.
- 12,680 individuals across all centres will engage with others to tackle social isolation and loneliness.
- 4,800 PSR conversations and 500 registrations.
- Provide 1,350 CO alarms.
- 4,800 individuals receiving CO awareness conversations

Five-year total reach:

Service	Estimated reach	Estimated reach	Estimated reach	Estimated reach	Estimated reach
4 centres launched 6 months apart - area may vary	ESC (2 years) Area population 60k	Ipswich (1.5 years)	West Suffolk (1 year)	Babergh Mid (6 months)	TOTALS
Energy efficiency/ cost of living advice	1800	1500	1000	500	4800
CO safety advice	1800	1500	1000	500	4800
Number of CO alarms distributed	600	400	250	100	1350
Income maximisation/ debt advice	180	150	100	50	480
Number of people attending the Slow cooking classes	120	120	90	45	375
Number of slow cookers distributed	120	120	90	45	375
PSR registrations	200	150	100	50	500

One-year total reach:

Service	Estimated reach	1 year	Totals
2 Centres in year 1	ESC 1 year only	Ipswich	
Energy efficiency/ cost of living advice	900	500	1400
CO safety advice	900	500	1400
Number of CO alarms distributed	30	133	163
Income maximisation/ debt advice	90	50	140
Number of people attending the Slow cooking classes	60	40	100
Number of slow cookers distributed	60	40	100
PSR registrations	10	50	60

Project Objectives

Cadent will measure the success of the Centre for Warmth – Four East Suffolk Council centres - against the achievement of the following objectives:

- To deliver income maximisation/home energy efficiency advice to approximately 4,800 individuals.
- To deliver CO safety advice to 4,800 individuals.
- Provide 1,350 CO alarms to vulnerable individuals that do not have one.
- To alleviate stress and anxiety regarding keeping the home warm.
- To support 500 individuals to sign onto the PSR register.
- To deliver slow cooker sessions to 375 individuals to help them cook healthier and more energy efficient by using a slow cooker twice a week.
- To generate a positive SROI - see the below relevant section for more details.

Why the Project is Being Funded Through the VCMA

We believe that the project meets all of the Vulnerability and Carbon Monoxide Allowance eligibility criteria:

- a. Have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project:**

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 and education on CO. More information can be found in the relevant section below.

- b. Either:**
- Provide support to consumers in Vulnerable Situations and relate to energy safeguarding, or,**
 - Provide awareness of the dangers of CO, or,**
 - Reduce the risk of harm caused by CO;**

The project delivers services that meet all three elements of this criteria. For example, the specialist advisors will help households

	<p><i>maximise their income, enabling residents to afford the cost of heating their home to an adequate level. The project will also raise awareness of the dangers of CO and promote registration to the PSR.</i></p> <p>c. Have defined outcomes and the associated actions to achieve these:</p> <p><i>Cadent and East Suffolk Council have entered into a service agreement that will contain the project objective and actions. Further detail can also be found 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><i>This method of delivering support to customers in vulnerable situations falls outside of Cadent's BAU activities and other licence conditions.</i></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>Cadent conducted extensive stakeholder and customer engagement to obtain feedback on its RIIO-GD2 business plans and subsequent Vulnerability and Carbon Monoxide Allowance (VCMA) delivery.</p> <p>Firstly, we conducted "Energy Diaries", a piece of research aimed at gauging the customer's attitudes towards the rises in energy prices, as well as the support offered by organisations such as Cadent. The Energy Diaries demonstrated that customers continue to support the key measures that we identified when developing our RIIO-2 plan, with a heightened requirement to support people with the cost-of-living crisis.</p> <p>The Centre For Warmth – East Suffolk partnership recognises this feedback by offering vulnerable households essential support with income maximisation and energy efficiency services.</p> <p>Secondly, we regularly seek to obtain the feedback of stakeholders such as Citizens Advice and National Energy Action (NEA) in order to understand the needs of customers in vulnerable situations. These regular conversations allow Cadent to gain feedback on the initiatives we are or should be supporting, and also ensure that the projects are in the best interests of our customers. Stakeholders have provided consistent feedback on the need for energy networks to focus their funding on supporting households most impacted by the cost of living crisis.</p> <p>This project takes this feedback into account by creating a partnership with a trusted local charity, positioned in an area with levels of deprivation and fuel poverty significantly higher than the national average.</p> <p>Finally, Cadent asked customers for their views on which of the below statements best described their health and financial situation compared to 2021:</p> <ul style="list-style-type: none"> • My current household's health or financial situation is worse off compared to 2021.

	<ul style="list-style-type: none"> • My current household's health or financial situation is the same compared to 2021. • My current household's health or financial situation is better off compared to 2021. <p>60% of participants responded that their households' health or financial situation was worse off this year compared to 2021 levels.</p> <p>This project aims to support households most impacted by a downturn in their financial health through offering services such as income maximisation and benefit entitlement checks.</p>
Information Required	Description
Outcomes, Associated Actions and Success Criteria	<p>The partnership with East Suffolk Councils community centres will form part of Cadent's wider Centres for Warmth network. The Centre for Warmth project model relies on the provision of VCMA funding, materials and resource to a community centre located in an area of high deprivation, fuel poverty, and carbon monoxide risk. The increased levels of funding, resource and materials enable the community centre to ramp up its existing support for customers in vulnerable situations.</p> <p><u>Project Outcomes</u></p> <p>The East Suffolk council - Centres for Warmth Project aims to achieve the following outcomes:</p> <ul style="list-style-type: none"> • Individuals will report increased levels of household income. • Individuals will report an increased awareness on the dangers of CO and have a reduced risk of harm caused by CO. • Provide support to lonely local individuals, ensuring that they can access the community centre and the services it offers. • Provide individuals with energy efficiency advice and carbon monoxide awareness. • Individuals will report reduced levels of anxiety in fearing a utility outage. • Individuals will report an increased knowledge of cooking on a budget, healthy cooking, and use of a slow cooker to save on energy. <p><u>Associated Actions</u></p> <p>The East Suffolk councils four centres will implement the following associated actions to deliver the project's outcomes:</p> <ul style="list-style-type: none"> • Individuals will report increased levels of household income through working with the centre's specialist benefits advisors. • Specialist benefits advisors will support households to identify and access previously unclaimed benefits. • Individuals will report reduced levels of anxiety in fearing a utility outage through being assisted to register to the PSR. Centre staff will all receive an awareness on the PSR and will help eligible households through the registration process. • Clients will report an increased awareness on the dangers of CO and have a reduced risk of harm caused by CO. This will be achieved through the centre's staff providing CO awareness conversations and distributing CO alarms to the most at-risk households. • Individuals will report an increased knowledge of reducing their energy usage by using a slow cooker from attending a slow cooking course at a centre.

	<ul style="list-style-type: none"> • Individuals will report a better awareness of energy efficiency measures. <p><u>Success Criteria</u></p> <p>The success of the project will be measured against meeting the below criteria:</p> <ul style="list-style-type: none"> • 480 individuals will receive specialist advice on identifying and accessing previously unclaimed benefits. • 4,800 individuals will receive help and support on energy efficiency. • 4,800 individuals will receive an awareness conversation on the dangers of CO. 1,350 of the most at-risk households will also receive a CO alarm. • 4,800 individuals will improve their awareness of the PSR. 500 eligible households will also be supported to register. • 375 individuals will improve their knowledge of using a slow cooker to help lower their energy consumption.
<p>Project Partners and Third Parties Involved</p>	<p>Cadent will work with East Suffolk Council.</p>
<p>Potential for New Learning</p>	<p>Every area within Cadent's networks see households suffering the same issues, lack of money, fuel poverty and low-income employment. Cadent have learned that each area also has issues specific to them and these are dealt with differently.</p> <p>To help increase cross network understanding Cadent have set up a forum for the Centres for Warmth. Every quarter they meet online and discuss various topics, share stories, tips, and best practice but most importantly resources such as food. Where one centre may have an excess, they will give it to a neighbouring one.</p> <p>Cadent will continue to listen to our partners to try to improve the support and services where possible, through our centres for warmth partnerships to assist our most vulnerable customers.</p>
<p>Scale of VCMA Project and SROI Calculations</p>	<p><u>Scale of VCMA Project</u></p> <p>Cadent will invest £360,847.76 in partnership with East Suffolk Council Centres over two years.</p> <p>The project will benefit households in close proximity to the community centres, and those in the wider area through the specialist benefits advisors and community outreach workers.</p> <p><u>SROI Calculations</u></p> <p><u>Five-year SROI:</u></p> <ul style="list-style-type: none"> • 480 individuals supported with benefits advice • 4,800 individuals supported with energy efficiency advice • 4,800 individuals given CO advice • 500 PSR sign-ups • 375 will receive a slow cooker • 552 individuals alleviating loneliness through attending the centre: £662,400.00 (two year value only).

	<p><u>One-year SROI:</u></p> <ul style="list-style-type: none"> • 140 individuals supported with benefits advice. • 1,400 individuals supported with energy efficiency advice. • 1,400 individuals given CO advice. • 60 PSR sign-ups. • 161 individuals alleviating loneliness through attending the centre. <p><u>SROI calculations:</u></p> <p>Total investment = £360,847.76</p> <p>Five-year gross present value = £1,865,648.90 One-year gross present value = £256,554.16</p> <p>Five-year net social return on investment = £1,504,801.14 One-year Social Return on Investment = £134,098.16</p> <p>Ratio: 1:£49</p>
VCMA Project Start and End Date	<p>Start date July 2023 End date June 2025</p>
Geographical Area	<p>The project will be delivered in Cadent's East Anglia Network. Supporting the communities in Suffolk.</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: 05/07/2023	Review Completed By: Kerry Doyle
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 29/01/2024	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: 15/03/2024	
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 2024	
Date that Notification Email Sent to Ofgem: March 2024	