

# Vulnerability & Carbon Monoxide Allowance (VCMA)

## Project Eligibility Assessment (PEA) *The Harvey Girls “Be well, Be energy fit”*

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## 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;	Yes
b) Either: <ul style="list-style-type: none"> <li>i. Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or</li> <li>ii. Provide awareness on the dangers of CO, or</li> <li>iii. Reduce the risk of harm caused by CO;</li> </ul>	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
<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;	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
<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;	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
<b>Project Title</b>	The Harvey Girls “Be well, Be energy fit”
<b>Funding GDN(s)</b>	Cadent company specific project
<b>Role of GDN(s) *For Collaborative VCMA Projects only</b>	Not applicable
<b>Date of PEA Submission</b>	March 2023
<b>VCMA Project Contact Name, email and Number</b>	Name: Phil Burrows Title: Head of Customer Vulnerability Social Programme Delivery Email: Phil.m.burrows@cadentgas.com Number: 07773 545451
<b>Total Cost (£k)</b>	Partner costs = £126,762.54 Slow cooker sessions = £2,784.00
<b>Total VCMA Funding Required (£k)</b>	Total = £129,546.54
<b>Problem(s)</b>	<p>In East Staffordshire, data shows that 18% of people are living in one of the <b>20% most deprived</b> areas nationally (Staffordshire County Council, 2017). These are known as LSOAs (Lower Super Output Areas) – areas with high levels of deprivation that East Staffordshire Family Support Service including Harvey Girls and Dads4Dads target through their work.</p> <p>Harvey Girls work, engagement and knowledge of the ‘real-time’ issues that vulnerable families face suggest that families they serve may have low awareness of home safety, including carbon monoxide awareness and being unable to afford carbon monoxide alarms and gas appliance servicing.</p> <p>Furthermore, the Charity highlights that families who live in circumstances of deprivation or poverty are often unaware of wider support available to them, for example around income maximisation or grants that can enhance home energy efficiency.</p> <p>Wider socio-economic factors and the ‘cost of living crisis’ are having a significant and damaging impact on family wellbeing. The primary concern for families now revolves around the rise in energy costs. Many vulnerable families already living in fuel poverty have told the Charity that the energy price cap increase in April 2022 has placed significant pressure on household finances, with further anticipated increases in October 2022 and beyond to 2023-24 set to result in unprecedented levels of fuel poverty. Many vulnerable families will – if not already – be unable to pay their bills and accrue spiralling debt with their energy provider.</p>

Tragically, a growing number of parents supported by the Charity explain that, for this year and beyond, they will have no choice but to choose between “heating or eating” for themselves and their children.

## Fuel Poverty

There are links between levels of deprivation and fuel poverty. Fuel poverty is a form of hardship where households do not have the income required to heat their home to an adequate level.

15.2% of households are in fuel poverty with this only set to increase again this year. However, Burton Upon Trent (principle area) reported significantly higher levels of fuel poverty at a constituency level when compared to the national average- 17% (7,762 households).

<sup>1</sup>According to Staffordshire.gov.uk 57,600+ Staffordshire households struggle to maintain a warm, dry home.

Due to being unable to afford the costs associated with heating their home to a healthy temperature, households living in fuel poverty have an increased risk of developing cold related illness.

Cold related illness ranges from influenza, respiratory disease, and stroke, through to contributing towards cold related deaths.

A <sup>2</sup>Public Health England report published in 2020 stated that cold related deaths represent the biggest source of winter mortality in England and Wales, with an average of approximately 35,000 excess winter deaths each year.

<sup>3</sup>2017/2018 data suggested that 16,890 excess winter deaths in the UK were attributed to cold housing conditions. Poor housing conditions, low income and high fuel costs all play a factor in a household's risk of experiencing fuel poverty.

The Harvey Girls "Be Well, Be Energy Fit" project supports fuel poor households living in deprived areas of East Staffordshire and Burton Upon Trent by offering energy efficiency advice and income maximisation services.

## Risk of Exposure to Carbon Monoxide and Levels of Deprivation

Around 30 people living in the UK die from carbon monoxide poisoning each year. An additional 4,000 people attend accident and emergency rooms each year as a result of carbon monoxide and 200 people are left hospitalised.

Issues such as fuel poverty and high household debt can influence a customer's risk of exposure to the dangers of carbon monoxide. An unavailability of household income can mean that many customers do not have the means to regularly service their gas appliances and/or purchase audible carbon monoxide alarms. This project aims to tackle this issue by offering gas safety checks to customers who cannot afford to pay for one.

<sup>1</sup> Source: Department for Business, Energy & Industrial Strategy

<sup>2</sup> <https://www.gov.uk/government/publications/health-matters-cold-weather-and-covid-19/health-matters-cold-weather-and-covid-19>

<sup>3</sup> <https://www.e3g.org/news/media-room/17000-people-in-the-uk-died-last-winter-due-to-cold-housing>

	<p><u>Income Maximisation/Benefit advice</u></p> <p>This project aims to advise customers on low income how best to budget and also support them in carrying out a benefit entitlement check. This ensures that customers are claiming all the benefits they are entitled to. They will also support with completion of applications to increase the chances of the benefit being awarded.</p> <p><u>Energy Efficiency Advice</u></p> <p>Due to the cost-of-living crisis and the removal of the energy price cap more and more families are trying to find ways of lowering their energy bills. This project will give customers tips on how to lower their consumption of energy by making small changes that could make a big difference.</p> <p>The project will educate customers living in fuel poverty on cooking more efficiently with a slow cooker and will also give advice on how to stay warm and safe in their homes.</p> <p>Families will be provided with general education around energy efficiency and energy saving habits – being energy aware – embedding positive behaviours into the family routine (switching off lights, appliances when not used). This would also incorporate a broader awareness of the impact of energy consumption on the environment.</p> <p><u>Gas appliance servicing</u></p> <p>Many homeowners are finding it difficult to make ends meet and are looking for ways to cut costs. One such cost is the gas safety check. People are deciding not to have this work undertaken therefore leaving themselves at risk of CO poisoning. Cadent via Marches Energy Action will provide a free gas safety check for eligible households. Where a family have not had their gas appliances serviced for over 12-months due to financial constraints, lack of awareness or another factor, a referral will be made via <i>Be Well, Be Energy Fit</i> for a visit to be arranged by Cadent. If a gas appliance is condemned as a result of the service, a suitable replacement solution would be explored including referrals to NEA for grants or replacement appliances.</p>
<p><b>Scope and Objectives</b></p>	<p>Cadent will provide Harvey Girls with £126,762.54 of VCMA funding to enable the delivery of a 2 year project.</p> <p>This funding will be used to deliver the following:</p> <ul style="list-style-type: none"> <li>• Gas safety and carbon monoxide education to increase awareness of signs and symptoms.</li> <li>• Supply CO alarms to families who cannot afford them</li> <li>• Energy efficiency advice on topics such as efficient use of appliances, effective use of heating and hot water controls, energy usage, and condensation &amp; damp prevention.</li> <li>• Raising awareness and registering customers to the priority service register which will offer customers support during any outages.</li> <li>• Advice on maximising household income by conducting benefits checks and support completing applications to help ensure customers are receiving the correct benefit entitlement.</li> </ul>

	<p>The project aims to reach approximately 300 families across a 2-year period. As a minimum each family engaged through the project will receive the following.</p> <ul style="list-style-type: none"> <li>• 300 families will receive CO advice and a CO alarm.</li> <li>• 300 families will receive advice on income maximisation/benefits.</li> <li>• 300 families will receive energy efficiency advice.</li> <li>• 300 families will be made aware of the PSR.</li> </ul> <p>In addition, up to 100 families will receive additional support with gas appliance safety checks and or slow cooking on a needs basis.</p> <ul style="list-style-type: none"> <li>• 100 families will receive a free gas safety check. (some of the families on the project will be in social or private rented accommodation and not be eligible)</li> <li>• 100 families will receive advice on slow cooking.</li> </ul> <p><u>Project Objectives</u></p> <p>The Harvey Girls "Be Well, Be Energy Fit" Project contains a series of objectives that success will be measured:</p> <ul style="list-style-type: none"> <li>• Approximately 300 households are supported with the issuing of carbon monoxide alarms and education.</li> <li>• Approximately 300 households are supported with in-home energy efficiency.</li> <li>• Approximately 300 households are assisted with income maximisation services and claiming of the Warm Homes Discount.</li> <li>• Approximately 150 households will be supported with registration to the priority services register.</li> <li>• 100 households are helped with practical support on slow cooking, helping them to understand the potential health, efficiency, and financial benefits.</li> <li>• 100 households are supported with a free gas safety check on appliances that have been identified as unsafe and isolated/condemned by a Cadent engineer.</li> </ul> <p>To offer wider support with issues such as housing, debt, general poverty and health through signposting and Harvey Girls referral networks.</p>
<p><b>Why the Project is Being Funded Through the VCMA</b></p>	<p>Cadent believe that this project meets all the required VCMA eligibility criteria.</p> <p><b>A. The project is forecasted to have a positive SROI. Please see the relevant section for more information.</b> We believe this project has the deliverables necessary to create a positive social return on investment - see the below section for more details.</p> <p><b>B. The project will either:</b></p> <p><b>i. Provide support to consumers in vulnerable situations, and relate to energy safeguarding, or</b></p>

	<p>ii. <b>Provide awareness on the dangers of CO, or</b>          iii. <b>Reduce the risk of harm caused by CO</b>          The project will provide support to customers living in vulnerable situations through energy efficiency advice/income maximisation. The project will also offer customers education on the dangers of CO and issue audible alarms to particularly at-risk households. Finally, the project will reduce the risk of harm caused by CO through offering free safety checks on unsafe appliances that have not been historically serviced by a gas safe registered engineer.</p> <p><b>C. The project has defined outcomes and the associated actions to achieve them.</b>          This project has clearly defined outcomes 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.</p> <p><b>D. The project goes beyond the activities funded through other price control mechanisms or required by licence obligations.</b>          The method in which energy efficiency, gas safety and income maximisation advice is issued to families on this project is innovative and goes beyond BAU. Additionally, the offer of a free gas appliance safety check conducted by an upskilled Cadent engineer is a first for the VCMA and business as a whole.</p> <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>          This project will be delivered solely through Cadent's VCMA funding.</p>
<p><b>Evidence of Stakeholder/Customer Support</b></p>	<p>Temperature Checks – we complete periodic ‘temperature checks’ with a cross section of our customer base, including our Customer Forum. These demonstrate 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 – hence this.</p> <p>The Energy Diaries research – through extensive research with customers living in fuel poverty over a period of several months, we then engaged with experts such as Citizen’s Advice, NEA and a suite of other charities operating in this space to co-create several additional initiatives that Cadent could offer to its customers. This was one of these initiatives</p> <p>Charity Partnerships – we have strategic level partnerships in place with around 40 consumer advice organisations and charities. We engage regularly to assess the benefits of existing projects and consider options elsewhere, taking the opportunity to benchmark against others and seek to learn.</p> <p>Centres for Warmth – the teams running the centres also fed into the development of this initiative, when considering the successes of the existing centre projects and opportunities for enhancements, based on the specific needs of the customers / households already being supported.</p>

	<p>Stakeholder feedback – Working with various Stakeholders we can understand the needs of customers living in vulnerable situations across our networks. Regular conversations and check ins with organisations such as Citizens Advice, National Energy Action and Groundwork. These regular check ins allow us to gain feedback on the projects we are or should be supporting and ensuring that the projects are in the best interests of our customers. The guidance we are being given is consistently around supporting customers living in fuel poverty and especially in light of the current energy crisis.</p> <p>Stakeholder feedback – We have sent out questionnaires to organisations we deal with and some that have an interest in the customers we are looking to support, and we have received overwhelming support and confirmation that the projects we are supporting are appropriate and are helping those most at risk.</p> <p>Cadent's <sup>4</sup>independent customer engagement group report for its RIIO-GD2 business plans contains feedback on a variety of proposals, including Cadent's ambitions for tackling fuel poverty.</p> <p><b>65% of customers and 74% of stakeholders support or somewhat support Cadent funding Harvey Girls.</b></p> <p><b>Quote</b>  <i>"It offers direct, effective, fast alleviation from the obvious huge problem."</i> – Warning Zone</p> <p><b>100% of customers and 96% of stakeholders support or somewhat support Cadent funding Services beyond the meter.</b></p> <p><b>Quote</b>  <i>"A person might not have any cash to fix the problem and could potentially be living in a very difficult situation if they don't get the help they need."</i> - Customer, aged 60-69</p>
<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>The VCMA project will be delivered in partnership with East Staffordshire based charity Harvey Girls and aims to support approximately 300 families with home energy, income, and safety issues over the project's initial 2 year duration.</p> <p>The "Be Well, Be Energy Fit" Project aims to achieve the following outcomes:</p> <ul style="list-style-type: none"> <li>• Provide advice to customers on numerous topics including benefit entitlement checks, energy advice, income maximisation, carbon monoxide education and wider health and wellbeing support.</li> <li>• Provide slow cooking classes to local families to promote the potential affordability, efficiency, and health benefits.</li> <li>• Provide families with fully funded safety checks on dangerous appliances that have not been serviced for a number of years due to the household's inability to afford the service.</li> </ul>

<sup>4</sup> <https://cadentgas.com/nggdwsdev/media/Downloads/business-plan/Cadent-CEG-report-with-appendices.pdf>



- Provide families with awareness and a means of registering to the priority services register.

### Associated Actions

- Cadent's VCMA contribution will be used to principally fund a team of Harvey Girls support workers. This team will conduct home visits to Harvey Girls clients that live in areas of fuel poverty and are experiencing financial hardship.
- Harvey Girls support workers will form and maintain relationships with local families, building trust to effectively deliver a range of support. This support includes energy efficiency advice, benefits entitlement checks, income maximisation, carbon monoxide education and assistance with wider issues such as housing, welfare, education, and health.
- Harvey Girls will report instances of unsafe appliances and gas emergencies through the National Gas Emergency helpline, resulting in a Cadent engineer attending to make safe and trigger the gas safety check process.
- Cadent's upskilled engineers will attend referred properties and conduct safety checks on dangerous gas appliances. Onward referrals will then be made in scenarios where further repair/replace works are required.
- Harvey Girls will coordinate the delivery of slow cooking classes to client families who stand to benefit from support with energy efficiency and financial savings advice.
- Cadent will provide Harvey Girls staff with awareness on the priority services register and information on the process for registration.

### Success criteria

The success of the project will be evaluated against the meeting of the project's objectives. These objectives include:

1. The project will reach approximately 300 families people over the course of the 2 year duration.
2. 300 customers will receive a home visit from a Harvey Girls support worker. Clients will be offered assistance on a number of topics as part of the home visits, including energy efficiency advice, benefit entitlement checks, income maximisation and carbon monoxide education. Clients will also receive free audible carbon monoxide alarms where appropriate.
3. Up to 100 families will benefit from a free gas safety check on their unsafe gas appliances that have not been serviced in several years. Households will be selected in part due to their ability to afford to commission a gas safe registered engineer through their own financial means.
4. Up to 100 families will receive practical support with slow cooking. These clients will also be issued with information on

	<p>the potential financial, efficiency and health benefits of slow cooking.</p> <p>5. Approximately 150 households will receive awareness and a means of registering to the priority services register.</p> <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"> <li>• The project will reach approximately 300 families across the course of the 2 years.</li> <li>• Around 300 households will receive specialist advice on identifying and accessing previously unclaimed benefits.</li> <li>• Around 300 households will receive help and support on energy efficiency</li> <li>• Around 300 individuals will receive an awareness conversation on the dangers of CO. Approximately 300 of the most at-risk households will also receive a CO alarm.</li> <li>• Around 300 households will improve their awareness of the PSR and be supported with the means to register.</li> <li>• Around 100 Families will receive education and guidance on cooking using slow</li> <li>• Around 100 families will receive a free gas safety check.</li> </ul>
<p><b>Project Partners and Third Parties Involved</b></p>	<p>Cadent will work with Harvey Girls Be Well, Be energy fit to deliver the 2 year project.</p>
<p><b>Potential for New Learning</b></p>	<p>During the delivery of this project Cadent have come to understand that we have a larger reach to the most vulnerable customers in our networks by partnering with organisations such as Harvey Girls. This is due to the fact that these are trusted local partners who already have links with people.</p> <p>Cadent have also upskilled their gas engineers to be able to work on appliances and pipework beyond the meter. This has enabled them to keep our customers on gas in situations that, previously would have left them without cooking or heating.</p>
<p><b>Scale of VCMA Project and SROI Calculations</b></p>	<p><u>Scale of VCMA Project</u></p> <p>Cadent will deliver a partnership with Harvey Girls Be Well, Be Energy Fit for 2 years.</p> <p>This VCMA project will be delivered across a two-year partnership Centre. The project will support approximately 300 households with a range of services.</p> <p>The project will benefit households in close proximity to with Harvey Girls Be Well, Be Energy Fit, and those in the wider area through the specialist advisors.</p> <p><u>SROI Calculations</u></p>

Investment = £129,546.54

5-year social return on investment = £612,410.46

1-year social return on investment = £88,237.33

5-year gross present value = £741,957.00

1-year gross present value = £150,618.60

Cadent has conducted its own research and has worked with specialist from energy and utilities consultants at SIA Partners to evaluate the gross present value generated by activities typically funded through the VCMA. This work has produced a bank of one to five year average gross present values that incorporate financial, environmental, and societal benefits of VCMA activities.

- 300 people supported with benefits and debt advice:  
£515,133.00- (5-year gross present value)
- 300 properties supported with energy efficiency advice:  
£110,331.00- (5-year gross present value)
- 300 PSR sign-ups:  
£43,167.00- (5-year gross present value)
- 100 people receiving a free gas safety check  
£46,900- (5-year gross present value)
- 100 people receiving education on energy efficiency by using a slow cooker:
  - \*£23,642.00 (5-year gross present value)
  - £2,784.00 (one time saving through avoiding the cost of purchasing a £27.84 slow cooker)

\*By replacing 2 meals per week with a meal cooked in a slow cooker a family can save approximately £236.42 over 5-years.

### Supporting households to maximise their income

Cadent worked with SIA Partners to evaluate the average 5-year gross present value of supporting households to maximise their income. SIA Partner's based their analysis on the "actual" data from a 3-month project between Cadent and NEA, and historic data from NEA over the past 3 years.

SIA Partners calculated an average 5-year gross present value of £1,717.11 per households.

300 clients will receive this service over the course of the project, equating to a total 5-year gross present value of £515,133.00.

	<p><u>Conducting safety checks on dangerous gas appliances</u></p> <p><u>Cadent piloted the delivery of gas appliance safety checks in the homes of customers in vulnerable situations in 2021-2022. Charity partners working in the homes of customers identified unsafe appliances that met the criteria of a gas distribution network (GDN) emergency visit.</u></p> <p><u>Upskilled Cadent Services Beyond the Meter engineers were dispatched to conduct gas appliance safety checks following the initial isolating and condemning of the appliances.</u></p> <p><u>Cadent worked with SIA Partners to understand the financial, environmental, and societal benefits of delivering gas appliance safety checks using the VCMA.</u></p> <p><u>SIA Partners evaluated a 5-year gross present value of £469.00 per household for each completed gas appliance safety check visit. This value was predominantly based on the reduction in risk of a dangerous occurrence that could impact the customer's health. Additional value was identified through an improvement in energy efficiency and reductions in stress.</u></p> <p><u>The project will provide gas appliance safety checks to 100 vulnerable households. These households will be unable to afford the cost of purchasing an equivalent service from a gas safe registered engineer and will have unsafe appliances that meet the criteria for a GDN emergency visit.</u></p> <p><u>These visits will generate a 5-year gross present value of £46,900.00.</u></p> <p><u>Supporting households to register to the Priority Services Register</u></p> <p>Cadent worked with SIA Partners to evaluate the average 5-year gross present value of supporting households to register to the PSR. SIA Partner's based their analysis on the DNO proxy bank value for an avoided stress management course.</p> <p>SIA Partners evaluated an average 5-year gross present value of £143.89 for a single PSR registration.</p>
<p><b>VCMA Project Start and End Date</b></p>	<p>1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2024</p>
<p><b>Geographical Area</b></p>	<p>The Harvey Girls Be well, Be energy Fit will be delivered in East Staffordshire in Cadents Eastern network</p>
<p><b>Remaining Amount in the Allowance at Time of Registration</b></p>	<p>Remaining funding left in the Licensee's/ Licensees' funding pot.</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: 10/03/23	Review Completed By: Gemma Norton
Stage 2: Sustainability and Social Purpose Management Review	
Date Management Review Completed: 21/03/23	Review Completed By: Phil Burrows
Step 3: Director of Sustainability and Social Purpose Sign-Off: Mark Belmega	
Director of Sustainability and Social Purpose Strategy Sign-Off Date:	
Step 4: Upload PEA Document to the Website & Notification Email Sent to Ofgem ( <a href="mailto:vcma@ofgem.gov.uk">vcma@ofgem.gov.uk</a> )	

Date that PEA Document Uploaded to the Website: March 2023

Date that Notification Email Sent to Ofgem: March 2023