

GDN Collaborative Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)

"Maggie's Centres – Safe and Warm"

Nov 2022 Version 1.6

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;	NA
b) The household cannot afford to service, repair or replace the unsafe pipework or essential gas appliance; and;	NA
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.	NA
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;	YES
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
Project Title	Maggie's Centres – Safe and Warm
Funding GDN(s)	Cadent, NGN and SGN collaboration for 2 years – lead by Cadent
Role of GDN(s) *For Collaborative VCMA Projects only	Cadent – Lead GDN and network specific delivery support, NGN - network specific delivery support, SGN - network specific delivery support
Date of PEA Submission	November 2022
VCMA Project Contact Name, email and Number	Kate Clarke kate.clarke@cadentgas.com
Total Cost (£k)	£212,040
Total VCMA Funding Required (£k)	£212,040 Based on Maggie's centres per network the funding split will be Cadent = £95,418 SGN = £95,418 NGN = £21,204
Problem(s)	<p>On a daily basis Gas Distribution Networks (GDNs) interact with many customers, some of whom may be impacted by cancer, either suffering from the disease themselves, caring for or knowing a family member or friends who have been diagnosed.</p> <p>When cancer becomes part of someone's life it is a worrying time, not only from a health perspective but also from a financial stability outlook with the potential of reduced income and increased costs. Concerns have increased in-light of the current cost of living crisis and with the continued forecast increase for energy prices, households are finding themselves moving towards or in a fuel poverty situation. This increased financial burden can be devastating for those impacted by cancer and can lead to reduced quality of life, physical wellbeing and mental health.</p> <p>People with cancer are often at home more and need to turn up the heating to cope with side effects, such as weight loss, hair loss and tiredness. It is vital that people with cancer retain access to their heating and receive priority support in the event of an emergency. Macmillan research found that of the almost 1 in 3 people with cancer who feel colder, at least:</p> <ul style="list-style-type: none"> • 23% say they have sleepless nights or difficulty sleeping as a result • 15% suffer with depression • 14% suffer from anxiety <p>Recent statistics show:</p> <ul style="list-style-type: none"> • 1 in 2 people will develop cancer in their lifetime (Cancer Research statistic) • ¹Nearly 1 in 3 people diagnosed with cancer say they feel the cold more • Currently, on average people with cancer pay £196 a year more on their energy bills (Macmillan) and with the recent increase in fuel prices and subsequent further increases forecast, costs will increase leading to heightened financial and welfare worries. • A recent poll by Maggie's found that well over a quarter of people in the UK with a cancer diagnosis are more worried about the cost-of-living crisis than their cancer.

¹ <https://www.macmillan.org.uk/cancer-information-and-support/get-help/financial-and-work/everything-in-our-power>

	<p>Over three quarters feel that the crisis is affecting their chances of successful treatment for cancer.</p> <ul style="list-style-type: none"> • ²The poll also found that two thirds (67%) think heating bills will be a problem. • 40,000 fewer people started cancer treatment across the UK in 2020, leading to later diagnosis and worse outcomes (CRUK) • 50% of all those having cancer treatment experienced disruption such as delays, changes and cancellations (Macmillan survey) • Cutbacks on diagnoses, cancer treatment and clinical trials as a result of coronavirus could lead to a 20% increase in premature deaths in the next 12 months (UCL) <p>Recognising that there are around 2.5 million people in the UK living with cancer, there is a clear need to ensure that those living with cancer, are aware of the additional support available, especially, the Priority Services Register including the option to list additional contacts in case of emergency, protecting against carbon monoxide, and information that can increase household energy efficiency and reduce energy costs.</p>
<p>Scope and Objectives</p>	<p>In line with the collaborative GDN Vulnerability Working Group Strategy, we are committed to identifying customer needs and providing joining up support services for those who benefit from energy safeguarding services. We're keen to work together with Maggie's and engage with people living with cancer, their family and friends through Maggie's national support centres, of which there are currently 22 in operation.</p> <p>Maggie's has pioneered a ground-breaking programme of practical and emotional support available free of charge to people with any type of cancer, at any stage. This support is delivered by an expert team, including cancer support specialists, clinical psychologists, benefits advisors, nutritionists, and relaxation therapists. Because exhausting treatment and difficult emotions not only affect the person with cancer, but their family and friends, Maggie's offer support for their loved ones too.</p> <p>Maggie's offers this support through their cancer caring centres in the grounds of 22 NHS hospitals across the UK, as well as online and through phone and video calls.</p> <p>Each of the centres is built with the appreciation of how environment can impact wellbeing, leading architects have helped to create warm, welcoming spaces designed to make people feel at home, relaxed, and cared for.</p> <p>The partnership aims provided Targeted support for cancer patients and their families whilst using Maggie's Centre resources – delivering energy conversations, PSR reg and CO alarms. This will be Delivered in-line with the collaboration principle for 'vulnerable groups most in need' - critical illness</p> <p>Maggie's and the GDNs will work together to develop tailored resources such as leaflets and webinars guiding Maggie's expert resources to support people suffering from cancer, their family and friends with practical steps linked to energy safeguarding.</p> <p>The programme will upskill Maggie's Benefit Advisors to support clients with conversations around energy safeguarding, PSR awareness and registration, carbon monoxide awareness and access to free CO alarms for those who are unable to afford them and provide guidance on energy usage and efficiency. These additional support services will complement Maggie's existing service around delivering money, benefits, and welfare advice.</p> <p>The programme will be delivered via Maggie's proven evidence-based approach for cancer support, utilising the existing resource structure, which includes their expert team, support centres and wider communication channels. Support conversations will include extended awareness of:</p> <ul style="list-style-type: none"> • The PSR and the importance of having an alternate contact added (in line with the Power of Attorney process), • The range of energy safeguarding services that are available to them, including the locking cooker valve, where appropriate

² <https://www.maggies.org/about-us/news/people-with-cancer-more-worried-about-cost-of-living-than-diagnosis/>

- Providing advice and guidance on fuel efficiency via existing GDN supporting partners, for example NEA
- Education around CO Safety and access to CO alarms via existing GDN customer CO alarm distribution processes

The programme will aim to reach the following amount of people:

Network Location	Operational Centres	Direct Reach	Indirect Reach
Cadent	10	7,200	1800
SGN	10	7,200	1800
NGN	2	1,440	360
Totals	22	15,840	3,960

Based on the direct reach, the objectives of the programme include:

- **At least 14,256** of people supported will receive a meaningful conversation about the PSR
- **At least 14,256** of PSR conversations will include raising awareness of the importance of having an alternative contact added to the PSR.
- **At least 11,880** of those people supported will have increased awareness of support available to them, including how to reduce energy bills and energy safeguarding services and CO safety.
- **Circa 1600** CO alarms to be gifted to people who are unable to afford them.

Maggie's experts will be equipped with the knowledge and resources to have conversations about the PSR, energy safeguarding and fuel poverty / energy efficiency with people suffering from cancer, their family and friends so the indirect reach will be much greater. It is estimated that for every direct conversation that takes place, at least 25% of those people will pass on the awareness information to others outside of the Maggie's support service. This will lead to a further 3,960 people being indirectly reached.

Overall, it is estimated that c.19,800 individuals will benefit from this funding

Why the Project is Being Funded Through the VCMA

This project meets the VCMA eligibility criteria as it will provide energy safeguarding for those most in need through a defined set of outcomes. The initiative will proactively support customers with tailored access to help they need to live in a safe and warm home, ensuring that the funding achieves a positive Social Return on Investment.

As highlighted earlier in the proposal, fuel poverty can lead to decreased health and wellbeing for people suffering with cancer – both directly as a result of not being able to stay warm, and indirectly, as paying the bills may prevent people being able to afford other essentials such as healthy food or time for respite.

Evidence of Stakeholder/Customer Support

Cadent and Maggie's Partnership

Cadent and Maggie's have been working together supporting people with cancer for the past 2 years, the partnership supports Cadent's approach to supporting people with long term and critical illnesses.

Commencing November 2021, Cadent and Maggie's started an initial pilot project based at the Oldham support centre, which has been received positively from those who have had awareness conversations. The pilot focused on PSR awareness only, 360 conversations and registrations were completed.

Maggie's Evidence Based Programme

Maggie's evidence-based programme of support has been proven to improve the physical and emotional wellbeing of people with cancer and their families. The National Cancer Survivorship Initiative Report by the Department of Health highlighted Maggie's unique approach to cancer care as an example of best practice. Maggie's programme of support has also been commended by the NHS Cancer Plan, National Institute for Health and Care Excellence and the Cancer Reform Strategy.

This has been reinforced by Maggie's annual survey 2021:

- 99% improved their ability to manage stress
- 99% felt less alone
- 99% improved their confidence when speaking with their medical team
- 98% improved confidence talking to friends and family
- 97% improved confidence when speaking with the medical team
- 97% assessed benefits they were entitled to
- 92% made healthy changes to their physical activity
- 90% improved their understanding of their finances
- 89% made healthy changes to their diet

To ensure that we take every opportunity to provide comprehensive safeguarding awareness, we will be extending the scope of the programme to also include, awareness of how to reduce energy bills, energy safeguarding services, and CO safety.

Northern Gas Networks Stakeholder Based Evidence

Asking our stakeholders what's important – using our wide range of engagement mechanisms from strategic workshops to customer perceptions, we asked stakeholders to prioritise what is most important to them (including digital engagement in light of Covid-19). During 2019-2020 we held multiple workshops with our stakeholders on the subject of customers in vulnerable situations. Stakeholder engagement through 2020 told us that fuel poverty (general poverty) and the choice between heating and eating is becoming more prevalent.

In our February 2020 annual strategic workshop, cold related ill health and fuel poverty awareness was discussed as an emerging issue. During our July 2020 workshop, stakeholders discussed new emerging issues due to Covid-19, what the impact of the pandemic had on hidden vulnerability and how the pandemic impacted demand for essential services to support CIVS. Stakeholders also raised the point that the mental health of people living with physical disabilities had been significantly impacted due to lockdown. Another impact the pandemic had was on accessing essential services for those living in vulnerable situations. In some of these areas, a GP may have been the only person providing support to priority groups.

A workshop around Customer Touchpoints was held in October 2020. Stakeholders told us that to tackle fuel poverty, we needed to maximise opportunities at every-day touchpoints and daily interactions, such as GP surgeries, clinics and hospitals. This project will engage with these health professionals, which will help to identify and reach a significant number of individuals, vulnerable due to living in cold homes with underlying health problems. Centres like Maggie's is one of the key touchpoints for people living with cancer.

NGN commissioned PSR and CO research earlier this year and received the results in August. The results suggest that awareness of CO has gone up in 2022, with more customers claiming they are more aware (improved from 54% to 61%), and their awareness has increased over the past few years (from 48% to 57%). More participants in 2022 recalled specific campaigns that raised awareness of CO (increased from 23% to 46%). Owning CO alarm: result is relatively stable among those who know what alarms they have, but there has been a shift from "Don't have one" to "Don't know if I have one" and "Have one but can't remember what type". This suggests that customers are more aware of gas related topics. While the energy crisis certainly plays a part in raising awareness of gas appliances this is slightly positive news.

Each year we use our annual Customer Perceptions Research to understand the priorities of our customers. Amongst a set of general tracker questions i.e., same questions that are asked year on year, the evidence in the most recent research, indicated that keeping bills as low as possible ranked more highly, than providing a safe and reliable supply of gas, for the first time. This is a clear indication, as to how concerned customers are about the cost of energy.

Recent social indicator mapping research carried out in June 2022, indicated that:

	<ul style="list-style-type: none"> • Nearly 625,000 people in the NGN area have health which restricts their day to day activities 'a lot'. The proportion is higher than nationally and is particularly marked in the Wear patch • 1.4% of people in the NGN area describe their health as 'very bad', with the proportion and numbers notably high across the Wear patch (1.9% overall) and in parts of the Tees patch • Disability allowance claims are highest proportionately in urban areas <p>NGN hosted a physical disability webinar in June 2022 with a range of stakeholders. Stakeholders suggested we offer holistic support for customers with a disability through VCMA projects. They also suggested more financial support was needed for those with physical disabilities as they spend more money on energy bills due to being home more. Our stakeholders also asked if charities and organisations have the financial support needed to continue to deliver services to clients?</p> <p>In our March 2022 annual strategic workshop stakeholders said one of their biggest worries was the choice between heat or eat. They suggested it is pushing people to make dangerous heating choices which may result in unsafe behaviours. The fire and rescue service advised they are seeing deaths in the home due to portable heaters / CO.</p> <p>SGN Customer Engagement Group and Vulnerable Steering Group During the shaping of the SGN business plan we committed, over the 5-year price control, to support over 250,000 vulnerable customers to use gas safely, affordably and efficiently. To ensure that we adapt to market conditions we continue to engage our SGN Vulnerable Steering Group, they help us shape our vulnerability and CO strategies and our priorities for GD2 based on current need. Our expert stakeholders representing a range of vulnerable customer segments guided us to work with existing organisations that already support those in crisis and where we are able to broaden the reach or increase the capacity of those established charities that support people most in need. It is with guidance and support from our dedicated Vulnerable Steering Group that SGN prioritise support for those most likely to need help from their utility company due to ill health and low incomes, those in extreme financial vulnerability and in fuel crisis.</p>
<p>Outcomes, Associated Actions and Success Criteria</p>	<p>GDNs and Maggie's will develop and run safeguarding awareness sessions aimed at people with cancer, their families, and friends. The programme will directly reach an estimated 15,840 beneficiaries, and indirectly reach a further 3,960, giving an estimated total reach of 19,800 beneficiaries. The programme will be delivered through Maggie's existing support centre structure on a national basis.</p> <p>We will measure success against a set of key indicators, using feedback forms and one-to-one interviews with a selection of participating individuals. Target indicators include:</p> <ul style="list-style-type: none"> • 15,840 beneficiaries attend awareness and support sessions • 3,960 individuals benefit indirectly from indirect awareness conversations • 14,256 of people supported will receive a meaningful conversation about the PSR • 14,256 of PSR conversations will include raising awareness of the importance of having an alternative contact added to the PSR • 11,880 of those people supported will have increased awareness of support available to them, including how to reduce energy bills, energy safeguarding services and CO safety • 1,600 CO alarms gifted to people who are unable to afford them • Reduction in those saying they have sleepless nights or difficulty sleeping as a result • Reduction in those suffering with depression • Reduction in those suffering from anxiety • Improved ability to manage stress and feeling less alone • Share programme details with GDN colleagues to highlight support available via Maggie's for situations which might impact those directly <p>In addition, the following outcomes are expected as a result of Maggie's Benefits Advisors conversations with people suffering from cancer, family and friends:</p> <ul style="list-style-type: none"> • Reduction in those saying they have sleepless nights or difficulty sleeping as a result • Reduction in those suffering with depression

- Reduction in those suffering from anxiety by providing peace of mind around support during power outage, support to help maintain energy usage and being safe and warm in home as a result of CO and energy conversations

We hope this will help to make people with cancer, their families and friends feel more supported and aware of the resources available, should they find them beneficial for their own personal situation.

Delivery Timeline:

- **Nov 2022** – Start setting up the partnership
- **Nov 2022** – Development of supporting tools
- **Dec/Jan 2022/23** - Commence rollout of safeguarding awareness conversations for network areas (in line with agreed Maggie’s rollout plan)
- **Dec 2023** – review year 1 findings / plan year 2 programme
- **Dec 2024** – Programme review and close

The following table outlines how Maggie’s estimate for how the funding will be allocated:

	Total 2 Year Funding	Details
Programme Delivery	£146,260	Projected 360 Conversations per centre per year and 7,920 across all centres per year. Allowing for 15 minutes approx. per conversation (Based on Benefits Advisor Hourly rate – including Pension/NI £37/4 to get costing for 15 mins) - £9.25 x 7,920
Comms and Resources	£6,000	This will cover communications and tool development required to rollout and deliver the programme
CO Alarms	£19,820	This covers the combined costs required for GDNs to provide a stock of CO alarms at c.£12.54/alarm
Overheads (Maggie’s)	£39,960	Overheads at 25% (this covers all programme management)
Total Costs	£212,040	

Project Partners and Third Parties Involved

GDNs

The role of the GDNs will be to fund the programme as a whole, design an appropriate training package for Maggie’s resource to use and provide the necessary tools to deliver the awareness / advice to Maggie’s clients.

Maggie’s

GDNs will be working in collaboration with Maggie’s to design and deliver the programme. Maggie’s has pioneered a ground-breaking programme of practical and emotional support available free of charge to people with any type of cancer, at any stage.

Maggie’s delivers its support services across 22 national centres, which are located on NHS sites. GDNs will not have direct involvement with the NHS for this programme.

Gas Safe Charity

	<p>There is an option to utilise Gas Safe Charity resource to support the training of CO related awareness and advice.</p> <p>SIA Partners SIA partners will provide the SROI assessment for the PEA.</p>												
<p>Potential for New Learning</p>	<p>GDNs have made a commitment to promote PSR awareness and support registration during the RIIO-2 period. Therefore, the conversations had with people suffering from cancer, their families and friends as part of this programme will not only contribute towards this, but will also increase awareness of other topics, including how to reduce energy bills, energy safeguarding services and CO safety.</p> <p>We intend to gain valuable feedback from both Maggie’s and people who live with or are directly affected by cancer. This feedback will provide key learning opportunities enabling us to refine/enhance our safeguarding support processes and associated vulnerable provision offerings. Examples for areas of learning will include:</p> <ul style="list-style-type: none"> • Financial <ul style="list-style-type: none"> ○ The impacts of energy related costs, especially in-light of the geopolitical landscape and effects on energy supply and increasing costs ○ How best to provide cost related advice and appropriate interventions • Welfare Provisions <ul style="list-style-type: none"> ○ What welfare provisions should be made available specifically to support people affected by cancer • Number of people affected by cancer <ul style="list-style-type: none"> ○ Via the PSR and also Partner sector statistics, each GDN will have a greater understanding of the amount of people within their network who suffer from cancer. In turn this will lead to better support planning as each network discharges its core process, namely emergency response, maintenance, repair and replacement. 												
<p>Scale of VCMA Project and SROI Calculations</p>	<p>The SROI calculated by Cadent is £3.70 over a 5 year period.</p> <p>This model accounts for:</p> <ul style="list-style-type: none"> • The total costs of delivering the programme; • The total number of stakeholders who will be directly supported by the programme; and • The expected benefits which will be delivered, including the benefits of better sleep and reduction in anxiety / depression. <table border="1" data-bbox="456 1430 1448 1656"> <thead> <tr> <th colspan="3" style="background-color: #2c3e50; color: white;">5-year reporting figures</th> </tr> </thead> <tbody> <tr> <td rowspan="4" style="background-color: #2c3e50; color: white; text-align: center; vertical-align: middle;">Economic</td> <td style="background-color: #95a5a6;">Total cost</td> <td style="text-align: right;">£212,040.00</td> </tr> <tr> <td style="background-color: #95a5a6;">Total gross present value</td> <td style="text-align: right;">£996,051.05</td> </tr> <tr> <td style="background-color: #95a5a6;">NPV</td> <td style="text-align: right;">£784,011.05</td> </tr> <tr> <td style="background-color: #95a5a6;">SROI</td> <td style="text-align: right;">£3.70</td> </tr> </tbody> </table>	5-year reporting figures			Economic	Total cost	£212,040.00	Total gross present value	£996,051.05	NPV	£784,011.05	SROI	£3.70
5-year reporting figures													
Economic	Total cost	£212,040.00											
	Total gross present value	£996,051.05											
	NPV	£784,011.05											
	SROI	£3.70											
<p>VCMA Project Start and End Date</p>	<p>November 2022 – December 2024</p>												
<p>Geographical Area</p>	<p>This national programme will operate within Cadent, NGN and SGN network areas across England and Scotland.</p> <p>The following map provides a view of Maggie’s operational and future planned support centre locations:</p>												

Remaining Amount in the Allowance at Time of Registration	Remaining funding left in the Licensee's/ Licensees' funding pot. Amount before this project: £9,175,541 Maggie's Project costs: £212,040 (exc. VAT) Remaining following this project: £8,963,501

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: GDN Collaboration Group PEA Review Meeting date review completed: Review completed by:		
GDN:	Name:	Job Title:
Cadent	Jo Giles	Customer Safeguarding Senior Manager
NGN	Eileen Brown	Customer Experience Director
SGN	Linda Spence	Vulnerability Manager

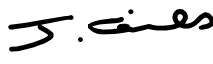

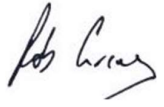
Stage 2: GD2CVG Panel Review

Meeting date sign off agreed:

Review completed by:

GDN:	Name:	Job Title:
Cadent	Jo Giles	Customer Safeguarding Senior Manager
NGN	Eileen Brown	Customer Experience Director
SGN	Maureen McIntosh	Head of Customer Experience

Step 3: Participating GDN individual signatory sign-off

GDN	Name:	Job Title:	Signature:	Date:
Cadent:	Jo Giles	Customer Safeguarding Senior Manager		17 th November 2022
NGN:	Eileen Brown	Customer Experience Director		28 th November 2022
SGN:	Rob Gray	Director of Stakeholder and Communications		28 th November 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:

Date that Notification Email Sent to Ofgem: