

Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA) *Skewb - Measuring and Driving Additional Value*

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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 a forecasted positive, Social Return on Investment (SROI) and Net Present Value (NPV) including for the gas consumers funding the VCMA Project (GDNs should use a common SROI model.	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 license 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	
To qualify as a VCMA Project, essential gas appliance servicing must meet the following criteria:	
a) Either: <ul style="list-style-type: none"> i. A GDN has had to isolate and condemn an essential gas appliance following a supply interruption or as part of its emergency service role; or ii. A GDN or its Project Partner has identified an essential gas appliance which has not been serviced in the last 12 months in the owner-occupied home of a customer in a Vulnerable Situation where an occupier of the property suffers from a permanent or temporary health condition that makes them more vulnerable to health risks associated with cold homes; or iii. A GDN or its Project Partner has identified an essential gas appliance which has not been serviced in the last 12 months in a tenant-occupied home of a customer in a Vulnerable Situation where it is the tenant's responsibility to maintain the essential gas appliance, where an occupier of the property suffers from a permanent or temporary health condition that 	N/A

makes them more vulnerable to health risks associated with cold homes.	
b) The household cannot afford to service the essential gas appliance, which is assessed against criteria consistent with the Energy Company Obligation (ECO4) Guidance: Delivery document1 (see Appendix 1).	N/A
c) Sufficient funding is not available from other sources (including a social or private landlord, national, devolved, local government funding) to fund the essential gas appliance service.	N/A

Section 3 - Eligibility criteria for Collaborative VCMA Projects

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
Project Title	Skewb – Measuring and Driving Additional Value
Funding GDN(s)	Cadent
New / Updated (indicate as appropriate)	New
Role of GDN(s) *For Collaborative VCMA Projects only	Cadent
Date of PEA Submission	August 2025
VCMA Project Contact Name, email and Number	Name: Phil Burrows Job Title: Customer Vulnerability Social Programmes Manager Email: phil.burrows@cadentgas.com Phone: 07773545451
Total Cost (£k)	Partner costs: £390,000.00 Project management costs: £15,600.00

Total VCMA Funding Required (£k)	£405,600.00													
Problem(s)	Cadent's customer vulnerability strategy for RIIO-GD2 centres on four customer outcomes, using home engagement to support millions, save costs, and boost PSR and carbon monoxide risk awareness. The program includes flagship initiatives like Centres for Warmth and the Services Beyond the Meter, delivered with over 80 partners, supporting 100+ projects in the final year and investing over £50m. For RIIO-GD3, Ofgem has backed a more ambitious approach, but annual spending will decrease due to funding cycles. Cadent has engaged Skewb for an independent review of GD2 and to help shape an effective vulnerability strategy for GD3.													
Scope and Objectives	<p>The project will utilise Skewb's experience, analytical skills and products to support the following outcomes:</p> <ol style="list-style-type: none"> 1. Increase the rate of PSR registrations to place Cadent as the leading performer against all other GDNs. 2. Critically review Cadent's RIIO-GD2 innovation strategy, independently assessing its strengths and weaknesses and the projects that have offered the greatest outcomes. The review will result in several recommendations to feed Cadent's RIIO-GD3 innovation strategy development. 3. Develop a bespoke Vulnerability Programme Dashboard that can measure and monitor the real time outcomes across its entire customer vulnerability programme (allowing more impactful, effective and transparent decision making) 4. A comprehensive, independent assessment of qualitative and quantitative measures associated with all 200+ initiatives delivered through Cadent's customer vulnerability strategy during RIIO-2, to allow effective decision making as the programme ramps down (average annual spend) in RIIO-GD3. 5. A strategic impact assessment of the value that Cadent's social programme provides to Cadent today, enhancing its reputation and influence with key stakeholders, such as Ofgem. The review will include proposals about how to maximise this potential in RIIO-GD3. <p>Objectives</p> <p>The aim of this project is to ensure Cadent meet their vulnerability strategy commitments and Skewb will assist with this by supporting with the following objectives:</p> <table border="1" data-bbox="469 1576 1455 2112"> <thead> <tr> <th data-bbox="469 1576 759 1637">Service</th> <th data-bbox="759 1576 1123 1637">Summary of Service</th> <th data-bbox="1123 1576 1455 1637">Expected Number of Customers Reached</th> </tr> </thead> <tbody> <tr> <td data-bbox="469 1637 759 1823">PSR Registration Enhancement</td> <td data-bbox="759 1637 1123 1823">Through collaboration with Cadent's team design, run and deliver a range of initiatives to increase the rate of PSR registrations</td> <td data-bbox="1123 1637 1455 1823">c.40,000 registrations per year</td> </tr> <tr> <td data-bbox="469 1823 759 2009">Innovation Strategy Review and future strategy</td> <td data-bbox="759 1823 1123 2009">Review as is and support the design of to be strategy and prioritised plan</td> <td data-bbox="1123 1823 1455 2009">Significant increase in potential reach and impact through prioritised initiatives and delivery focussed strategy</td> </tr> <tr> <td data-bbox="469 2009 759 2112">Vulnerability Programme Dashboard</td> <td data-bbox="759 2009 1123 2112">Development of a bespoke, real-time programme dashboard</td> <td data-bbox="1123 2009 1455 2112">Better decision making to ensure that the most impactful (and needed) initiatives are</td> </tr> </tbody> </table>		Service	Summary of Service	Expected Number of Customers Reached	PSR Registration Enhancement	Through collaboration with Cadent's team design, run and deliver a range of initiatives to increase the rate of PSR registrations	c.40,000 registrations per year	Innovation Strategy Review and future strategy	Review as is and support the design of to be strategy and prioritised plan	Significant increase in potential reach and impact through prioritised initiatives and delivery focussed strategy	Vulnerability Programme Dashboard	Development of a bespoke, real-time programme dashboard	Better decision making to ensure that the most impactful (and needed) initiatives are
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	Development (Skewb Core)		prioritised, leading to greater reach and impact
	Vulnerability Programme Assurance	A one-off assessment to ensure that the most effective and essential projects are prioritised for RIO-GD3	Ensuring reach and impact levels are maximised
	Strategic impact assessment of Cadent's social programme	Linked to the above, a more strategic assessment of the reputational (and otherwise) benefits of its social programme to Cadent	N/A
	CO Educational Programme review and ongoing support	A professional review and assessment with applied improvements across Cadent's CO educational programmes	c.100,000 students per year
	Using AI to support IPI applications	A technical assessment of an AI prototype with potential to develop and commercialise a new automated product supporting 1000s of customers	>100,000 if developed
	Services beyond the meter	End-to-end assessment and recommendations for future application	>30,000
Why the Project is Being Funded Through the VCMA	<p>We believe that the project meets all of the Vulnerability and Carbon Monoxide Allowance eligibility criteria:</p> <ul style="list-style-type: none"> a. Have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project: <p><i>The project delivers a positive forecasted social return on investment. This is based on achieving the target reach for, registrations to the PSR and education on carbon monoxide and Energy efficiency. More information can be found in the relevant section below.</i></p> 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 of the dangers of CO, or, iii. Reduce the risk of harm caused by CO. <p><i>The project delivers services that meet all three elements of these criteria. The project will also raise awareness of the dangers of CO and promote registration to the PSR and offer.</i></p> c. Have defined outcomes and the associated actions to achieve these: <p><i>Cadent and Skewb have entered into a service agreement that will contain the project objective and actions. Further detail can also be found below.</i></p> d. Go beyond activities that are funded through other price control mechanism(s) or required through licence obligations, and, <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> e. Not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding, 		

	<i>This project will be solely delivered through Cadent's VCMA funding.</i>
Evidence of Stakeholder/Customer Support	<p>Over the past three years Cadent has engaged with consumers, exploring their thoughts on energy whilst living through the cost-of-living-crisis. In collaboration with Think's Insight our 2024 research 'Energy Diaries: Voices of the future' spotlights people aged 18-30.</p> <p>The key findings were:</p> <ul style="list-style-type: none"> • Heating is seen as a luxury for some people - 71% of young people view heating as a luxury for some people rather than a necessity. • Fuel poverty and energy anxiety- these issues are normal for under 30s, highlighting need for inclusive support as the cost-of-living-crisis continues. • 74% of the public are anxious about the cost of their energy bills. • 55% of the public feel totally powerless when it comes to trying to reduce their bills. <p>Cadent regularly seek to obtain the feedback of stakeholders such as Citizens Advice and National Energy Action (NEA) 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 ensure that our VCMA-funded projects are in the best interests of our customers.</p> <p>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 analysing all the data from every project to ensure that cadent are utilising the VCMA funding in the best possible way to aid vulnerable customers.</p> <p>This project aims to act upon this customer insight and feedback, The partnership with Skewb will enable Cadent to provide the best support to customers on their networks.</p>
Information Required	Description
Outcomes, Associated Actions and Success Criteria	<p>The VCMA Skewb project will be delivered in partnership with Skewb and aims to allow Cadent to reach 100,000 individuals with their VCMA projects:</p> <ol style="list-style-type: none"> 1. Increased PSR Registrations Outcome: Increase the number of Priority Services Register (PSR) registrations and position Cadent as the leading GDN. Associated Actions: <ul style="list-style-type: none"> • Co-design targeted PSR awareness and registration campaigns with Cadent teams. • Use data led insights to identify areas with low PSR penetration. • Train internal staff and community partners to promote PSR registration. • Pilot initiatives, evaluate performance and expand the most effective approaches. 2. Independent Review of the RIIO-GD2 Innovation Strategy Outcome: An evidence-based innovation strategy for RIIO-GD3, informed by a comprehensive review of RIIO-GD2 activity. Associated Actions: <ul style="list-style-type: none"> • Assess all RIIO-GD2 innovation projects for impact, scalability and value. • Benchmark Cadent's performance against other GDNs. • Produce a prioritised roadmap highlighting the strongest opportunities for RIIO-GD3.

	<p>3. Development of a Vulnerability Programme Dashboard Outcome: A bespoke, real time dashboard that improves monitoring, prioritisation and decision making across the vulnerability programme. Associated Actions:</p> <ul style="list-style-type: none"> • Map and integrate data sources into a single reporting model. • Build and test dashboard functions using Skewb's core analytical platform. • Trial the dashboard with internal teams and refine based on feedback. • Train staff to use the dashboard for strategic and operational planning. <p>4. Assurance Assessment of All Vulnerability Initiatives. Outcome: A full assessment of 200+ RIIO-2 initiatives, ensuring the most impactful work is prioritised as Cadent enters RIIO-GD3. Associated Actions:</p> <ul style="list-style-type: none"> • Review qualitative and quantitative performance data across all initiatives. • Evaluate each initiative against reach, impact, cost and strategic alignment. • Produce recommendations to scale, sustain or retire initiatives for GD3. <p>5. Strategic Impact Assessment of Cadent's Social Programme Outcome: A clearer understanding of the value and influence of Cadent's social programme, with recommendations to strengthen its role in RIIO-GD3. Associated Actions:</p> <ul style="list-style-type: none"> • Review programme outcomes, stakeholder feedback and reputation indicators. • Assess the wider strategic benefits generated for Cadent. • Identify opportunities to enhance influence with stakeholders such as Ofgem. <p>6. CO Educational Programme Review and Enhancement Outcome: A modernised CO education programme with improved materials and delivery aligned to KS1 and KS2 curriculum requirements. Associated Actions: Review and update existing Co-educational resources.</p> <ul style="list-style-type: none"> • Develop improved teaching materials aligned to current curriculum targets. • Train delivery partners to ensure consistent, high-quality sessions. • Strengthen engagement with schools to increase reach and participation.
Project Partners and Third Parties Involved	Cadent and Skewb
Potential for New Learning	<p>The Skewb project presents significant opportunities for new learning across multiple areas of Cadent's vulnerability, innovation, and social programme activity. The insights generated will support future strategy development, improve service delivery, and strengthen Cadent's position as a sector leader in customer vulnerability support. Key areas of new learning include:</p> <ol style="list-style-type: none"> 1. Improved Understanding of Effective PSR Registration Techniques 2. Enhanced Insight into High impact Innovation Initiatives 3. Development of Best Practice for RealTime Programme Monitoring. 4. Deeper Understanding of Programme Impact Across 200+ Initiatives. 5. Strategic Learning on the Value of Social Programme.

Scale of VCMA Project and SROI Calculations, including NPV	<p>It is impossible to attribute a direct SROI benefit to such a wide-ranging project.</p> <p>The Skewb project is expected to deliver a positive Social Return on Investment (SROI) because it strengthens Cadent's ability to target and improve support for customers in vulnerable situations. By enhancing the effectiveness and strategic value of Cadent's overall vulnerability programme, the project ensures that VCMA funding generates meaningful social benefit and delivers greater value than the cost of investment. Due to the wide range of the project it isn't practical to try to measure the SROI. As a result, we propose to attribute a simple £1 benefit to each £1 invested in the project.</p>
VCMA Project Start and End Date	1 st August 2025 – 31 st March 2026
Geographical Area	All Cadent networks
Internal governance and project management evidence	Skewb presents a proposal to cadent which set out a structured approach to analysing the data from all projects to help them when agreeing funding for projects. This was agreed by the management team and monthly meeting set to ensure timely delivery.

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: 02/03/2026	Review Completed By: Kate Clarke
Stage 2: Sustainability and Social Purpose Team Management Review	
Date Management Review Completed: 04/03/2026	Review Completed By: Emma Turnbull
Step 3: Director of Sustainability & Social Purpose Sign-Off: Phillip Burrows	
Director of Sustainability and Social Purpose Sign-Off Date: March 2026	
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 2026	
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