

Wales & West Utilities Vulnerability & Carbon Monoxide Allowance (VCMA)

Project Eligibility Assessment (PEA)

Older not Colder

Care & Repair Cymru

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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:

- a) have a positive, or a forecasted positive, Social Return on Investment (SROI) including for the gas consumers funding the VCMA Project;
- b) either:
 - 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;
- c) have defined outcomes and the associated actions to achieve these;
- d) go beyond activities that are funded through other price control mechanism(s) or required through licence obligations; and
- e) not be delivered through other external funding sources directly accessed by a GDN, including through other government (national, devolved or local) funding.¹

Eligibility criteria for company specific essential gas appliance servicing, repair, and replacement

In order to qualify as a VCMA Project, unsafe pipework and essential gas appliance² servicing, repair or replacement must meet the following criteria:

- a) a GDN has to isolate and condemn unsafe pipework or an an essential gas appliance following a supply interruption or as part of its emergency service role;
- b) the household cannot afford to service, repair or replace unsafe pipework or the essential gas appliance; and
- c) sufficient funding is not available from other sources (including national, devolved or local government funding) to fund the unsafe pipework or the essential gas appliance servicing, repair or replacement.

¹ If part, but not full, funding is available through an external funding source for an eligible project, VCMA funding can be used for the remaining amount.

² Essential gas appliances are gas fuelled heating systems (including gas boilers and gas fires), and gas cookers.

Information required for the registration of VCMA projects

Information required	Description
Project title	Older not Colder
Funding GDN(s)	Wales & West Utilities
New/ Updates PEA	Updated November 2023
VCMA Project contact name, email and number	Tom Robinson – tom.robinson@wwutilities.co.uk – 07890 315438
Total VCMA funding required (£k)	£1,300,000
Problem(s)	<p>Building on the success of the award-winning national 70+ Cymru project run by Care & Repair Cymru, Wales & West Utilities will fund the new programme Older not Colder, providing support until the end of GD2. The cost-of-living crisis and energy market fluctuation continues to have an adverse effect on the most vulnerable in our society. Welsh Government estimates that numbers in fuel poverty, and severe fuel poverty have doubled over the past 12 -15 months. At Care & Repair, we work specifically with low-income older homeowners and private tenants (target group aged over 60, or over 50 with sensory loss, dementia, or stroke). Our beneficiaries are often in receipt of Pension Credit, have multiple existing comorbidities, or live alone with no one else to turn to. In addition, many are low income and not claiming their benefit entitlements.</p> <p>It is recognised that older people are more likely to be in fuel poverty, and it is more likely that their health and well-being be affected by cold temperatures. They are more likely to live in older pre 1919 homes, homes which are more challenging to heat, keep warm and retrofit with cheaper and greener technologies. Some telling statistics are as follows: 2019: 155,000 households in fuel poverty, 130,000 householders aged 60+ Current estimates:</p> <ul style="list-style-type: none"> • 247,249 older people spend 10% of their income to keep warm enough • 20,000 older people have to spend 20% to keep warm enough • Inflation rose from 5.5% in January to 9% in April 2022– huge impact on cost of living • Autumn 2022 (conservative estimates)

Criteria

	<ul style="list-style-type: none"> • 295,957 older people in Wales will be in fuel poverty (10% spend on home energy) • 23,735 older people will have to spend 20% of their income to keep warm enough
<p>Scope and Objectives</p>	<p>The objectives will be for the Project Manager and 12 Home Energy Officers to continue to reach over 60s most in need of this support. The services being delivered as part of this project include:</p> <ul style="list-style-type: none"> • Income maximisation support through benefit entitlement checks • Access to grants such as the Warm Homes Discount • Energy specific and general debt advice • Tarif switching advice • Onwards referrals for mental health and well-being support • Access to support for new heating systems, insulation, and other capital measures • Raising awareness of the Priority Services Register and how people can access and sign up to the free support service <p>We will deliver a comprehensive and tailored package of energy efficiency measures and home improvements, through:</p> <ul style="list-style-type: none"> • Home visiting, face to face advice, and handholding support to low-income older (aged 60+ or 50+ if living with sensory loss) owner occupiers and private tenants whose energy vulnerability puts them in or at particular risk of fuel poverty to support them to reduce their fuel bills. • Bespoke carbon monoxide and gas safety information and advice • A strong ethos of referrals, signposting and partnership with statutory bodies, Welsh Government programmes other third sector organisations. • Integrating with all Care & Repair services and projects- Hospital to a Healthier Home, Care & Repair Cymru’s new National Lottery Safe and Warm Homes hardship fund (£100,000 over the next two years), and any other hardship funds • The project will gather, analyse, and share a robust project impacts report, detailing ‘what worked’ in achieving healthy warm homes for vulnerable older households. • Supplementing this with other work that will positively impact on tackling fuel

Criteria

	<p>poverty- using our experience and learning from delivering services at the front line to inform policy and advocacy work with Welsh Government and Ofgem, numerous local and community-based information and awareness raising information.</p>
<p>Outcomes, associated actions, and success criteria</p>	<p>Using metrics from actual outcomes and impact from 70+ (two years data) we would expect to deliver as a minimum from the 2-year VCMA project:</p> <ul style="list-style-type: none"> • Help and support to 8,500 vulnerable households. • Over £5m in financial gains to households. <p>The 2-year projection for this VCMA project with 12 Home Energy Officers (HEOs) FTEs, based on actual figures from 70+, would be as follows (but important to note that these were delivered over long periods of Covid restrictions)</p> <ul style="list-style-type: none"> • Households helped: 8,467. • Home visits conducted: 2,350. • Welfare benefit checks completed: 790. • Large measures delivered (e.g. oil tank replacement): 910. • Small measures delivered (e.g. draught proofing): 2,450. • Households signed up to the PRS: 2,070. • Total value of measures installed: £2.9m. • Total value of financial gains for clients: £5m (annually recurring). <p>To maintain a focus on progress toward the outcomes listed above, WWU and C&RC will form a steering group, meeting quarterly to discuss and identify ongoing risks and mitigations. WWU would expect to see approx... 12% of each target achieved each quarter, for example 1,016 of the 8,467 homes reached per quarter. In addition, WWU will request case studies and client testimonials to further demonstrate the success of the initiative, throughout the project term.</p>
<p>Project Partners and third parties involved</p>	<p>This project will be delivered in partnership by Wales & West Utilities, and Care and Repair Cymru.</p>
<p>Potential for new learning</p>	<p>This project will help us fully understand the impact of the cost-of-living crisis on the older</p>

Criteria

	members of our customer base, and what specific support is useful to them now and in the future. This will help inform our GD3 business plan.
Scale of VCMA Project and SROI calculations, including NPV	<p>We have taken the forecasted numbers expected by C&RC for the two-year delivery period and calculated the following SROI over a 5-year period:</p> <p>Total Gross Present Value = £8,979,391 Net Present Value = £7,713,616 SROI per £1 spent = £6.09</p>
VCMA Project start and end date	This project will begin January 2024 and last until March 2026.
Geographical area	The project will be delivered across Wales.