

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

Project Eligibility Assessment (PEA)

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*Fuel Poverty & CO Awareness Project*

*Pembrokeshire Frame*

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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.<sup>1</sup>

## 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 appliance<sup>2</sup> 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.

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<sup>1</sup> 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.

<sup>2</sup> 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	FRAME: Fuel Poverty & CO Awareness Project
Funding GDN(s)	Wales & West Utilities
New/ Updated PEA	Updated
VCMA Project contact name, email and number	Sophie Stone <a href="mailto:Sophie.Stone@wwutilities.co.uk">Sophie.Stone@wwutilities.co.uk</a> - 07977804612
Total Cost (£)	Original project - £50,000 2024 Extension- £61,095
Total VCMA funding required (£)	£111,095
Problem(s)	<p>The Charity National Energy Action predicts that around 4 million homes in the UK were already classed as fuel poor before a surge in global energy market prices triggered one of the steepest energy bill hikes in October 2021. Campaigners are braced for a record increase in the numbers of people unable to pay their energy bills following another hike this spring. “Those on lowest incomes and in less-efficient homes will not just face financial hardship but intolerable living conditions, ill health and, for too many, a shortened life,” Adam Scorer, chief executive of National Energy Action.</p> <p>Pembrokeshire FRAME is a supported employment and life changing charity that transforms hundreds of lives in Pembrokeshire each year, by providing access to learning, supported and meaningful occupation, social enterprise, voluntary and employment opportunities, help and support to enable individuals to reach their potential. Many people come to Pembrokeshire FRAME having been turned away from support elsewhere. They battle with all kinds of issues such as disabilities, learning difficulties, breakdowns, poverty, mental health, illness, loneliness, lack of confidence and low self-esteem.</p> <p>In addition to Pembrokeshire FRAME’s existing work, they are keen to holistically support their communities and one of their priorities is to provide support to ensure their health and safety and ability to lead independent lives. There is a need to support their participants, volunteers, staff, and local community through this predicted difficult time and also to provide awareness programmes about the dangers of carbon monoxide in their homes.</p>

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<p>Scope and Objectives</p>	<ul style="list-style-type: none"> <li>• As part of this project Pembrokeshire FRAME are requesting funding for a Community Fuel Co-ordinator who will develop and deliver a 2-year project focused on the following objectives:             <ul style="list-style-type: none"> <li>• Raising awareness about energy efficiency and tackling fuel poverty</li> <li>• Acting as a community point of contact for those with fuel poverty issues offering information and signposting for assistance with unclaimed benefits, tariff comparisons etc</li> <li>• Supporting people to decarbonise their home heating, offering guidance and signposting</li> <li>• Delivering workshops, talks and activity events in our Green Shed Community Reuse Centre</li> <li>• Exploring the potential to work with local school groups across Pembrokeshire and with our local Pembrokeshire College based in Merlin's Bridge</li> <li>• Exploring the potential, then following up and working with local community groups such as Norman Industries, Mind, Sandy Bears, Pembrokeshire People First, to invite groups to attend our sessions or for our Co-ordinator to deliver outreach sessions</li> <li>• To raise awareness about the dangers of carbon monoxide</li> <li>• To be a point of distribution for free CO monitors whereby we can identify individuals most in need of these</li> <li>• To support our vulnerable participants, volunteers, staff and vulnerable members of the community with locking cooker valves and any other appropriate safety assistance and advice that we can provide</li> <li>• Development of literature, booklets and online content including videos and online workshops to support our awareness raising project</li> <li>• To recruit and train a team of Community Fuel Champions to provide fuel poverty related support to the local community making this a sustainable and ongoing project</li> </ul> </li> </ul> <p>UPDATE– November 2024 The community fuel co-ordinator will continue to deliver the services as outlines above over a 22-month period for 4.5 days per week.</p>
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	<p>In addition, a community fuel co-ordinator assistant will be resourced to support the co-ordinator with the delivery and reporting of the project for 2 days a week.</p> <p>Over the 22-month delivery period, Frame expect to reach 3000 individuals directly, with the support services outlined above, and evidence financial savings of £19,352.00.</p>
<p>Why the Project is being funded through the VCMA, and how this aligns to GDN's VCMA Strategy</p>	<p>Wales &amp; West Utilities does not own or bill customers for their gas consumption, however, through stakeholder engagement, we recognise our role in making sure gas is used safely, and efficiently. This project goes above and beyond our core responsibilities as a Gas Distribution Network, and is eligible under the VCMA funding criteria as it will provide energy efficiency advice and CO safety advice/interventions, empowering each householder to use energy safely, efficiently, and affordably.</p> <p>Updated November 2024:</p> <p>All GDNs have committed to spending VCMA money within four strategic pillars:</p> <ol style="list-style-type: none"> <li>1. Fuel Poverty &amp; Energy Affordability</li> <li>2. Services Beyond the Meter</li> <li>3. Supporting Priority Customer Groups</li> <li>4. Carbon Monoxide Awareness</li> </ol> <p>This project aligns to strategic pillar one.</p>
<p>Evidence of Stakeholder/ Customer support</p>	<p>Through our business planning for RIIO GD2, priority customers research and stakeholders told us that tackling fuel poverty was a priority for WWU, alongside raising awareness of the PSR and the dangers of CO.</p> <p>In our business plan we laid out a proposed spend for the first year of RIIO GD2 of £200k towards tackling fuel poverty, out of an assumed pot of £750k. In the final determinations, the VCMA allowance for WWU was doubled to £1.4m with 75% to be spent on projects within the WWU area.</p> <p>Our continued engagement with stakeholders such as the NEA, Citizens Advice, and charities supported by fuel poverty statistics shows due to high inflation and record energy prices that fuel poverty is impacting more homes than</p>

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	<p>ever. People who were struggling are now not using the heating or limiting use to unhealthy levels and appliances are not being serviced leading to future safety risks. The crisis has meant people who have never been in trouble now find themselves needing help but not knowing where to turn for advice.</p> <p>We have tested support for projects under the VCMA which target fuel poverty through our CEG, Citizens panels, VCMA showcase events and Regional Workshops with overwhelming support to continue and do even more.</p>
<p>Outcomes, associated actions, and success criteria</p>	<p>Outcomes of this project will include:</p> <ul style="list-style-type: none"> <li>• Recruitment of 1 Full Time Community Fuel Co-ordinator</li> <li>• Recruitment of at least 5 Community Fuel Champions (volunteers)</li> </ul> <p>They will:</p> <ul style="list-style-type: none"> <li>• Deliver at least 8 talks/workshops and awareness raising events each year (4 at Pembroke Dock &amp; 4 at Merlin's Bridge)</li> <li>• Provide a telephone hotline operated 5 days per week to answer specific fuel poverty and/or CO related enquiries</li> <li>• Provide face to face contact for community fuel poverty/CO enquiries 5 days per week</li> <li>• Raise awareness of energy efficiency &amp; tackling fuel poverty to at least 5000 visitors to Pembrokeshire FRAME's sites each year through leaflets, posters, campaigns, local media etc Further potential to reach up to 12,000 individuals indirectly</li> <li>• Raise awareness of dangers of Carbon Monoxide amongst all vulnerable participants, staff, and volunteers at Pembrokeshire FRAME. We currently have 30 members of staff, 50 participants and 30 volunteers and currently 3 trustees. As part of our new strategy, we are looking to increase our referrals and volunteer numbers.</li> </ul> <p>Expected Achievements:</p> <ul style="list-style-type: none"> <li>• Making a difference to the local communities of Pembrokeshire particularly those most in need</li> <li>• Letting the community know that Wales &amp; West Utilities Network and Pembrokeshire FRAME care about their health and wellbeing</li> </ul>

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	<ul style="list-style-type: none"> <li>• Improving the wellbeing of local people each year, helping to increase life span, and leading to happier healthier lives</li> <li>• Helping to reduce fuel poverty, helping people to economise and to reduce their bills and use energy more wisely</li> <li>• Protecting the most vulnerable in Pembrokeshire including those with mental health issues and learning disabilities</li> <li>• Supporting individuals in laymen terms helping to reduce the complications involved in energy accounts</li> <li>• Supporting as many people in Pembrokeshire of all ages as possible</li> <li>• Developing links and partnerships to support the community</li> </ul> <p>The project will also enable us to create a small community hub with our fuel related events calendar which will help us to:</p> <ul style="list-style-type: none"> <li>• Promote sustainability and decarbonisation</li> <li>• Reduce loneliness and isolation</li> <li>• Promote the work of Wales and West Utilities</li> </ul> <p>The project will also provide employment for a local individual and volunteering opportunities for local people. Volunteering opportunities help people to meet others, undertake meaningful work, help people gain new skills which may lead to future employment and the further reduction of their own fuel poverty.</p> <p>Updated November 2024:</p> <p>The community fuel co-ordinator will continue to deliver the above actions over 4.5 days a week, building upon the relationships they have made over the duration of the project within the community.</p> <p>In addition, Frame will provide a fuel co-ordinator assistant resource to the project for 2 days a week, to assist with the delivery and reporting requirements.</p> <p>Over a 22-month period, Pembrokeshire Frame expect to reach 3000 individuals with the services as outlined above and evidence financial savings of £19,352.</p>
Project Partners and third parties involved	This project will be delivered through a partnership of Wales & West Utilities and Pembrokeshire FRAME.

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Potential for new learning	This project will allow us to understand the impact of the cost-of-living crisis on small communities, and the staff and volunteers working within these communities, as part of FRAME. In addition, we may be able to better appreciate the need for support from Gas Distribution Networks for communities with a particular focus on Net Zero.
Scale of VCMA Project and SROI calculations, including NPV	<p>We have taken the forecast support measures from Pembrokeshire FRAME and used as the input to our SROI model. The output shows a £9.21 net benefit per £1 invested</p> <p>Updated November 2024:</p> <p>We have taken the forecast number expected by Pembrokeshire FRAME throughout the delivery period and calculated the following SROI over the duration of the project</p> <p>Total Gross Present Value = £160,800.22        Net Present Value = £100,558.01        Positive SROI per £1 spent = £1.67</p> <p>Please note that the updated SROI calculation was completed using the GDN-shared SROI rulebook released in September 2024, which produces stricter and more accurate results compared to previous models.</p>
VCMA Project start and end date	<p>Original project:        Start date - April 2022        End date - March 2024</p> <p>2024 Extension:        Start date- June 2024        End date- March 2026</p>
Geographical area	Pembrokeshire, Wales
Internal governance and project management evidence	<p>Following the successful outcomes of the project since March 2024, an extension has been granted until March 2026. This is a continuation of the work carried out between April 2022 and March 2024.</p> <p>This project will have a quarterly meeting to assess delivery involving the responsible senior manager. Data and outcomes from the project will be summarised and reported quarterly to the WWU Business Delivery performance Committee for review and challenge and will be formally reported to Ofgem and stakeholder through the annual VCMA report, showcase</p>



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	event and RRP which are all subject to the Data Accuracy Governance process (DAG)
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