

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

Project Eligibility Assessment (PEA)

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*A Holistic, Wrap-Around Energy Advice Service*

*Yorkshire Energy Services CIC T/A YES Energy Solutions*

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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 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	Holistic, wrap-around Energy Advice Service
Funding GDN(s)	Wales & West Utilities
New/ Updates PEA	New
Date of PEA submission	June 2024
VCMA Project contact name, email and number	Rachele Verdini - <a href="mailto:Rachele.Verdini@wwutilities.co.uk">Rachele.Verdini@wwutilities.co.uk</a> – 0781179520
Total VCMA funding required (£k)	£492,820
Problem(s)	<p>YES Energy Solutions (YES) already works with Cadent, SGN, NGN, SSEN, National Grid, NPG and UKPN, offering advice and support to vulnerable and fuel poor residents across a large area of the country. The service is already well established and working successfully, delivering consistent results.</p> <p>The current cost of living crisis, including high energy costs, is placing significant financial pressure on those on middle to low incomes and forcing around one in three UK households into fuel poverty. Many people may be facing financial hardship for the first time. A significant number of whom are new to seeking support as they have not accessed it in the past and are unsure of where to turn and who to trust. Energy costs are exacerbating other household costs, such as food, fuel and housing, as recent government efforts to limit bill increases show.</p> <p>YES has extensive experience delivering high impact fuel poverty schemes alongside the majority of gas and electricity distribution companies in Great Britain. This includes emergency resilience advice, Priority Services Register recruitment, energy awareness, net zero transition support and householder support. Using YES's vast experience of supporting other GDNs and DNOs, they are well placed to help WWU meet its regulatory targets.</p>
Scope and Objectives	YES will use the Egnida vulnerability visualisation tool to drive their social indicator mapping and identify the most deprived areas to target the service. They will run marketing

## Criteria

	<p>and outreach campaigns to identify and engage fuel poor householders (including hard-to-reach residents). Once successfully channelled into the service, their skilled advisors will provide holistic advice over the phone, signpost people to essential services and to any funding opportunities that can deliver property improvements.</p> <p>At a high level, the scheme will:</p> <ul style="list-style-type: none"><li>• Identify homes and people at risk of fuel poverty.</li><li>• Provide services that tackle the root causes of fuel poverty.</li><li>• Provide further outputs to benefit the customer and help them to understand the best way to operate their fuel/heating system efficiently.</li><li>• Provide energy advice packs.</li><li>• Ensure relevant customers are signed up to the PSR (Priority Services Register).</li><li>• Conduct a comprehensive assessment of need for each customer, to then deliver tailored support services.</li><li>• Deliver high quality and granular reporting of outcomes to WWU so customer benefits can be articulated and quantified.</li></ul> <p>The advice service is delivered through a tiered system, providing customers appropriate levels of support that can be tailored to match their individual situation, property-type and levels of interest. All customers receive a basic level of initial, introductory advice (tier 1), with a proportion of customers going on to receive in-depth support unique to their property and household make up (tiers 2.1 / 2.2). Whilst encouraging as many customers as possible to undertake the most in-depth level of support, YES will deliver a basic level of advice to every customer as a minimum. All advice is delivered via telephone with advisors undertaking at least three outbound call attempts on separate days and different time windows to engage customers.</p>
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	<p><b>Tier 1: Initial Assessment Call and Energy Advice Pack</b></p> <p>The initial assessment call will cover the fundamentals of the service. It focuses on enhancing the customer’s skills, knowledge and competency in relation to energy saving behaviours, providing householders with steps and practical support measures that they can take to improve the energy efficiency of their homes and reduce their energy costs. YES cover key topics including:</p> <ul style="list-style-type: none"> <li>• Draughtproofing</li> <li>• Priority Service Register Sign Up</li> <li>• Power Cut support</li> <li>• Carbon Monoxide Advice</li> <li>• Locking Cooker Valve Advice</li> <li>• Introductory advice on energy efficiency measures within the home</li> </ul> <p>The call is then followed up with the distribution of a Home Energy Support Pack containing useful tips and energy saving strategies, including a personal 30-day energy challenge and useful documents to aid the customer with their energy saving journey</p> <p><b>Tier 2.1: In-depth Support Call</b></p> <p>This is likely to be around 20% of Tier 1 customers.</p> <p>Following the Initial Assessment, YES will provide further in-depth support via a comprehensive, tailored household assessment and a bespoke energy saving report detailing the recommendations. Depending on the needs identified in the Initial Assessment, this call will include the following topics:</p> <ul style="list-style-type: none"> <li>• Assessment of household, identifying energy performance and existing measures</li> <li>• Advice on fabric and heating measures to enhance energy efficiency and reduce bills</li> <li>• Access to relevant funding streams (e.g., ECO, HUG, Council grants, etc).</li> <li>• Review of energy bills and tariffs</li> <li>• In-depth behaviour-change plan</li> </ul>
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## Criteria

	<ul style="list-style-type: none"> <li>Income maximisation advice and benefit entitlement checks</li> <li>Health and wellbeing support</li> </ul> <p><b>Tier 2.2: Low Carbon Technology Readiness Assessment</b></p> <p>This is likely to be around 75% of Tier 2.1 customers.</p> <p>The Tier 2.2 call includes the following topics:</p> <ul style="list-style-type: none"> <li>An overview of Net Zero – what is it and what does it mean for householders</li> <li>An explanation of what Low Carbon Technologies (LCTs) are, their benefits, and which are worth considering – assessment of household and circumstances</li> <li>Opportunities available for adoption (i.e., available funding, local schemes, infrastructure, etc)</li> <li>A short to medium term plan for adopting and utilising LCTs</li> </ul> <p>Following each Tier 2.2 call, the advisors will provide each customer with a written summary setting out which LCTs could be considered, what changes in the property would need to be explored, and details of any available funding to support installation costs.</p>
<p>Outcomes, associated actions, and success criteria</p>	<p>The anticipated results for this project are the following:</p> <ul style="list-style-type: none"> <li>The forecasted reach is 4,200 customers;</li> <li>Year 1 estimates – 1,800 customers receiving Tier 1 advice and the home energy support pack, 360 customers receiving in depth Tier 2 advice.</li> <li>Year 2 estimates – 2,400 customers receiving Tier 1 advice and 480 customers receiving in depth Tier 2 advice.</li> <li>Average annual saving achieved per household as a result of advice</li> </ul>

## Criteria

	<p>provided: £502 (customers savings achieved on other similar schemes range from £419 to £2,985)</p> <p>YES will also distribute Carbon Monoxide alarms where required following WWU supply or via collaboration with the nearest Fire and Rescue Services depending on the area being tackled.</p> <p>To maintain a focus on progress toward the outcomes listed above, WWU and YES will form a steering group, meeting quarterly to discuss and identify ongoing risks and mitigations. In addition, WWU will request case studies and client testimonials to further demonstrate the success of the initiative, throughout the project term.</p>
Project Partners and third parties involved	This project will be delivered in partnership with Wales & West Utilities and YES Energy Solutions.
Potential for new learning	This project offers us insight into the effectiveness of a targeted, data-driven approach to supporting vulnerable households while encouraging the net zero transition.
Scale of VCMA Project and SROI calculations, including NPV	<p>We have taken the forecasted numbers expected by YES for the two-year delivery period and calculated the following SROI over the duration of the project:</p> <p>Total Gross Present Value = £10,842,498.04          Net Present Value = £10,356,137.74          SROI per £1 spent = £21.29</p>
VCMA Project start and end date	This project will begin April 2024 and last until March 2026.
Geographical area	The project will be promoted and delivered across Devon, Somerset, Cornwall, Gloucester, Swindon, Bristol and Severnside.