

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

Project Eligibility Assessment (PEA)

Tackling Fuel Poverty Through Financial Education

MyBnk

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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.

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Information required for the registration of VCMA projects

Information required	Description
Project title	Tackling fuel poverty through financial education
Funding GDN(s)	Wales & West Utilities
New/ Updates PEA	New
VCMA Project contact name, email and number	Tom Robinson – tom.robinson@wwutilities.co.uk – 07890 315438
Total VCMA funding required (£k)	£495,478
Problem(s)	<p>The Welsh government predicted that up to 45% of Welsh households could be in fuel poverty following the energy price cap in April 2023 (Senedd Wales, 2022), with 98% of all lower-income Welsh households falling into this bracket. 15.5% of adults in Wales were over-indebted – meaning they found keeping up with payments a heavy burden or had fallen behind on payments (Money and Pensions Service (MaPS) ‘Wellbeing in Wales’, 2018). Since then, the pandemic has had major impacts on levels of employment, the cost-of-living crisis has further stretched households and the rapidly increasing interest rates are challenging more people as they struggle to keep up with inflation.</p> <p>Those who were financially struggling or were in vulnerable circumstances pre-pandemic are now in crisis. When asked about the important issues facing the UK today, the most reported issue continues to be cost of living (91%), (ONS, 2023) with a further 49% of adults who pay energy bills finding it hard or somewhat difficult to afford them (ONS, 2023).</p> <p>Primary schools are targeted based on the relative deprivation level, which is measured through the number of pupils in receipt of free school meals and pupil premium. MyBnk’s research has found that these young people benefit the most from financial education, making greater increases in their confidence and knowledge than their more affluent peers. At the other end of the spectrum, young people about to enter independent living such as those leaving care or those not in education, employment, or training, often don’t have a safety net to fall back on. Without dedicated, specialist financial education, tailored to their</p>

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	<p>circumstances, they have no one to teach them the importance of prioritising their bills and are more likely to fall into problem debt, with 64% of care leavers falling into debt since last year (ITV News, 2023).</p> <p>The aforementioned statistics paint a bleak picture with little hope for the communities in Wales and the West of England. Through expansion of MyBnk’s award winning programmes into Wales and the West of England, we are able to target some of society’s most vulnerable children and young people providing them with high-impact financial education that can aid them in navigating a challenging economic climate and set them up for their financial futures.</p>
<p>Scope and Objectives</p>	<p>The scope of this project will mean that over 2 years, MyBnk and WWU will deliver over 1,400 hours of financial and energy education to young people from age 7-25 across Wales and the West of England. MyBnk can educate people to use their energy more efficiently changing their behaviours and energy use. Our programme for those aged 16-25 have been independently evaluated to demonstrate ability to improve wellbeing and life satisfaction, deliver a positive social return on investment, and reduce average levels of debt.</p> <p>Energy, like money, can be earned, saved, and used – they are both essentials of everyday life. The partnership will see all young people that successfully complete The Money House or Money Works programmes eligible for a Level 1 qualification in Personal Money Management and those attending The Money House will receive a further entry-level qualification around skills for employability – these may be the only qualifications that some of these young people have.</p> <p>Furthermore, all Primary children taking part in Fuel Finance will receive take home packs – establishing a multi-generational approach to energy efficiency, safety, and affordability – tailored signposting, family friendly information for how to stay safe and warm.</p> <p>Those taking part in secondary age (11-16) and the Money Works programme will have optional energy modules to added to their pre-existing courses. Although this means that not all young people will undertake this module, we will thematically link energy content in with</p>

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	<p>core financial education through topics such as cost of living, household costs, priority debts etc. With your support we'll have the ability to deliver financial education linked energy content to young people aged 7-25 through school age and post 16.</p> <p>The Money House will be delivered as a mobile course, ensuring we can maximise the opportunity to reach those most in need of this intervention. The Money House course has dedicated and tailored energy material, including:</p> <ul style="list-style-type: none"> • practical application with tasks such as learning how to read and report from energy meter • information on signing up to the Priority Services Register (PSR) • the Warm Home Discount • winter fuel payments • tariff and energy switching • debt support • information on smart meters • gas safety including CO safety and signposting for whom to contact in an emergency. <p>All young people taking part in The Money House course are eligible for PSR as a Young Adult Householder which would see them getting a dedicated response should they fall into arrears. Content from the aforementioned module will be used as a starting point to create an optional module for the sister Money Works programme aimed at those not in education, employment, or training.</p> <p>The objectives of this project are:</p> <ul style="list-style-type: none"> • Reaching 4,851 number of young people aged 7-25 over 2 years. • Delivering 1,400 number of hours of financial education.
<p>Outcomes, associated actions, and success criteria</p>	<p>MyBnk have set out the below criteria for success, and will achieve this, working alongside their well-established network of partners who refer in children and young adults for support.</p> <ul style="list-style-type: none"> • National MyBnk expansion across Wales and the West of England, with

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	<p>Wales and West Utilities a named partner spearheading the expansion – Recruitment of a Wales and West team (Regional Manager and 2 x Education Officers)</p> <ul style="list-style-type: none"> • Delivery of up to 790 hours of financial education per year (targets reduced for year 1 for recruitment and training, and upskilling – target 65 hours in Y1) • Development of modular content for 11-16 year olds • Young people improve financial literacy skills • Young people have increased knowledge of energy information regarding efficiency, safety, and affordability • Young people have increased carbon monoxide safety skills • Increased PSR registrations • Increased knowledge on how to get help in the area of benefits, housing, debt management, emergency help, and financial products <p>MyBnk provide immersive school and youth work, adapted to the circumstances their audiences are most comfortable in. Where possible their courses are mapped to the national curriculum, and Mybnk will identify and adapt courses to meet the various learning styles. Their courses are delivered over four full days, and to ensure everyone in attendance feels comfortable and included, uniforms and lunch are provided.</p> <p>To maintain a focus on progress toward the outcomes listed above, WWU and MyBnk will form a steering group, meeting quarterly discuss and identify ongoing risks and mitigations. WWU would expect to see approx... 12% of each target achieved each quarter, for example 190 hours of 790 hours of financial education delivered 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>	<ul style="list-style-type: none"> • MyBnk – programme lead, will deliver all training to young people across Wales and West.

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	<ul style="list-style-type: none"> • WWU – lead gas network providing funding and support to the delivery team, including training resources, access to broader referral partners, and direct services for customers including but not limited to CO training materials and alarms and access to the Priority Service Register. • Broader funding partners over the period and referral partners such as Local Authorities, The Princes Trust Cymru, Citizens Advice Cymru, and Centre Point. As well as future partners and referral partners over the 3-year partnership. MyBnk’s new CEO is based in Cardiff and has established networks including the Children’s Commissioner for Wales , this project will build from this network and provide on the ground staff to maintain consistent partnerships.
<p>Potential for new learning</p>	<p>The following activities will be in place to monitor and evaluate project progress and impacts:</p> <ul style="list-style-type: none"> • Quantitative and qualitative outcomes for pupils and schools • Feedback, indicators, outputs, and outcomes reported on quarterly • Project progress monitored: these include monthly and quarterly partner • Meetings to share ideas and challenges through individual and • Organisational partnership case studies. <p>We are keen to learn from this project and for successes to be incorporated into future delivery as well as shared with other sector participants. We intend to share an annual report across electricity, gas and water networks and with local authorities in addition to sharing project impacts and case studies during our annual showcase event.</p>
<p>Scale of VCMA Project and SROI calculations, including NPV</p>	<p>We have taken the forecasted numbers expected by MyBnk to take part in their courses, over the two-year delivery period and calculated the following SROI over a 5-year period against the associated Financial, Fiscal and Social benefits:</p> <p>Total Gross Present Value = £6,192,250.58 Net Present Value = £5,707,686.53</p>

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	SROI per £1 spent = £11.78
VCMA Project start and end date	This project will begin in January 2024 and run until the end of March 2026.
Geographical area	This project will be run throughout WWU network area.