# Call for evidence on the electricity transmission, gas transmission and gas distribution business plans for RIIO-3

# Care & Repair Cymru

Care & Repair is Wales’ older people’s housing champion. We help our clients to live independently in warm, safe, accessible homes by delivering housing adaptations and home improvements. We offer a holistic casework service including a whole house assessment taken from a national framework, including a falls risk assessment, welfare benefits check and home safety information and advice. In 2023-24 we delivered the following:

* 67,606 services delivered to help older people helped to stay independent at home.
* 19,023 Rapid Response Adaptations to prevent accidents at home.
* Completed 60,258 jobs in the home to a value of £21.8 million.
* Helped clients claim £12.5 million in unclaimed benefits.

*In responding to the Call for Evidence, stakeholders may raise multiple issues and attach supporting evidence.*

*The following structure should be followed for each issue:*

*a) State your organisation if responding in an official capacity:* ***Care & Repair Cymru***

*b) State which network company/companies and which section(s) of the BP(s) you are commenting on;* ***Wales & West Utilities****,* ***section 2: Meeting the needs of consumers and network users.***

*c) State if your response is confidential and, if so, on what basis (see Appendix 1 and 2);* ***Non- confidential***

*d) Include a concise summary of the issue identified; and e. Include evidence or a justification for your view.*

**Care & Repair Cymru Response: Wales & West Utilities Business Plan for 2026-31**

*Care & Repair Cymru will be commenting on section 2 of Wales & West Utilities Business Plan: Meeting the needs of consumers and network users*

Care & Repair Cymru operates as the national body of the Care & Repair movement in Wales, we support 13 local Care & Repair agencies that work in all four corners of Wales to help keep older people safe, warm and independent at home. Attracting funding on behalf of the whole Care & Repair movement is a key element of our work in order to realise our shared vision which does not accept that any older person should live in a home that is unsafe or unsuitable to their needs.

Through our data collection, research and evaluation, Care & Repair Cymru identified a key provision gap in providing fuel poverty support to older people and have worked to ensure affordable warmth for our clients. In 2023, Care & Repair Cymru was granted £1.35 million, over two years, to deliver a frontline fuel poverty service, called Older Not Colder, funded through the Vulnerability and Carbon Monoxide Allowance (VCMA) by Gas Distribution Network, Wales & West Utilities.

**Older Not Colder:**

Care & Repair’s Older Not Colder service works directly to achieve expected customer outcomes, outlined in Wales & West Utilities Business Plan[[1]](#footnote-2), as a result of the £20 million RIIO-GD2 investment. Please see below how our VCMA funded project is working to support vulnerable customers struggling with fuel poverty and how we work to deliver expected customer outcomes set out by Wales & West Utilities.

*Expected customer outcome 1: Ensure customers can access support services which understand their specific needs and provide direct services and signposting.*

Older Not Colder employs 13 Home Energy Officers (HEO) across Wales that are offer expert energy advice and are able to help access funding to make energy efficiency improvements or housing repairs. Our HEOs work in their local areas, often in partnership with other support and advice agencies and have expert local knowledge of available services to best suit the interests and needs of our clients. Our local agencies, which host the HEOs are well regarded within the local communities in which they serve which means our Older Not Colder service is able to reach different demographics in their local area.

*Expected customer outcome 2: Support customers achieve warm, well insulated homes by using partnerships such as Warm Wales and Care & Repair Cymru to help them access ECO and other national and local scheme funding*

Older Not Colder service offers a holistic, hand-holding approach to fuel poverty and energy efficiency support. Care & Repair supports the older people in their own homes, so we understand the challenges of navigating funding schemes, particularly if our clients present with health conditions that makes it more difficult to engage with the energy sector or do not feel confident using the internet. Our HEOs will support clients through the home improvement journey in its entirety, from the application process until the work has been completed. Since the Older Not Colder service began in April, data from our Care & Repair Agencies shows we've referred 239 clients to WHP/ECO4/BGIS/other major schemes - 60 Q1, 82 Q2, 97 Q3. These are homes that otherwise may have continued without support.

*Expected customer outcome 3: Supporting customers to understand their heating system controls and how to minimise their use of energy and water, in turn reducing their annual utility bills*

Our Home Energy Officers and Older Not Colder Project Manager have undertaken National Energy Action’s Level 3 in Energy Awareness training course. This has equipped the Older Not Colder team to broaden their understanding of different heating and hot water systems, their functions, calculate both gas and electric running costs and how to reduce these. This knowledge is offered directly to our clients through our home visiting service. Since April, our Older Not Colder team ha**s seen 1,610 people at events, delivered 795 home visits and supported an additional 385 through telephone advice,** with referrals increasing month by month. This means their expertise and knowledge on energy saving and affordable warmth is being delivered into households who need it most. Furthermore, our HEO’s work directly with our Technical Officers, these are Care & Repair employees that have a building or surveying background and can provide more practical support. Often HEOs and Technical Officers will carry out joint home visits, thus promoting sharing of knowledge, expertise and good practice.

*Expected customer outcome 4: Tackling fuel poverty through maximising household income and ensuring each home is on the best tariffs, direct debt payments and debt plans.*

Older Not Colder operates both a home visiting and a telephone service and our HEOs will routinely, where possible, carry out a benefits check for clients. We are then able to support a client in making a benefit application, including Attendance Allowance or Pension Credit, to increase their household income. In more complex cases, we have strong links with partner organisations, including Citizen’s Advice and Step Change, who are able to carry out a more comprehensive income maximisation process. Furthermore, as our HEOs are energy advice specialists, they have up-to-date knowledge on available tariffs and can carry out conversations with energy suppliers on behalf of clients. For example, we had a recent case by which a client was struggling to keep on top of her energy bills but, with support from the HEO, discovered she was overpaying and had over £2000 in credit on her account; our HEO was able to refund this credit and reduce her monthly costs, substantially increasing her income and decreasing her outgoings.

**Impact of the RIIO-GD2 funding:**

In response to Wales & West Utilities’ Business Plan which sets out how they intend to continue their work in supporting vulnerable consumers, we would like to demonstrate the impact that the increased level of RIIO-GD2 funding has had both for our clients and the energy sector in Wales as a whole. Care & Repair are beneficiaries of the uplifted RIIO-GD2 funding, which saw the VCMA allowance increase from £60 million to £171 million as a result of the re-purposing unspent Fuel Poor Network Extension scheme funds[[2]](#footnote-3). We wholeheartedly support Wales & West Utilities Business Plan that argues for the VCMA funding to be kept at current levels, and we will take this opportunity to highlight the impact of this increased allowance:

Older Not Colder Case Studies:

Location: Cardigan, West Wales

Situation: A client contacted Care & Repair as he had a broken boiler that was over 20 years old. The client had no resource to pay for a new one and it was looking like he would be going without hot water or heating during the winter months.

Solution: Our Home Energy Officer firstly delivered a warm pack and electric oil-filled radiator. Whilst dropping off these supplies the caseworker supported the client to apply for the WHD broken boiler scheme with EON. They fitted a brand-new combi boiler and carried out essential pipework to keep up the maintenance of the home. In total this work would have come to over £5,000, money that our client did not have.

Location: Carmarthenshire

Situation: A client contacted Care & Repair as he was living in a draughty and cold property, with a faulty boiler and broken electrics. Our client was in poor health and suffered with a historic back injury that is worsened by the cold.

Solution: Our Home Energy Officer managed to access various funding to replace the draughty windows in the client’s kitchen, replace the boiler and fix the broken electrics. A warm pack was also provided to the client. In our follow up, our client said ‘*I am very grateful for the support in fixing my electrics and boiler and the new window has made a huge difference to how comfortable I feel*.’

**Wider impact:**

Despite only being operational since April 2024, the impact of Older Not Colder, made possible through the RIIO-GD2 VCMA allowance, has been felt not only directly by clients but has improved the situation of fuel poverty as a whole in Wales:

Improved policy decisions

Care & Repair Cymru plays a key role ensuring that Welsh Government listen to the housing needs of other people. The Policy Team at Care & Repair uses powerful stories and experiences from our clients and our front-line teams to inform and influence policy and legislation on older people’s housing issues. Our Older Not Colder frontline team are an invaluable resource in improving existing policy frameworks to support those in fuel poverty. For example, our Home Energy Officers alerted the Policy Team to challenges with the Welsh Government’s principal fuel poverty scheme, the Warm Homes Programme, and highlighted that the scheme was not providing immediate support for those without any working heating or hot water. Effective feedback loops between the Older Not Colder project and the Policy team meant that these issues were brought to the attention of Welsh Government who, as a result of Older Not Colder feedback, implemented a ‘crisis’ route for the scheme which allows for the repair or replacement of boilers for those without heating or hot water. As a result of invaluable experience and knowledge gained through the Older Not Colder project, we have been able to effectively influence Welsh Government in rectifying the scheme and ensuring it supports more households. Therefore, VCMA funded projects such as this one, often go beyond their scope and can provide invaluable insight into the bigger picture, improving fuel poverty outcomes not only for the people they directly support but wider society too.

Improved outreach

Care & Repair Cymru emphasises the wider impact VCMA funding has provided for our service outreach and promotion of available support to households that otherwise may not be aware of our services. The VCMA fund provided the Older Not Colder with a marketing resource and an opportunity to explore different ways in which to engage our client base. For example, Older Not Colder ran a marketing campaign through January 2025 and advertised the service and it’s offer in local newspapers, local radio and targeted social media adverts. This campaign meant that households who hadn’t engaged with us in the usual way, for example, through friends, neighbours or the local community, were made aware of the Older Not Colder. Early anecdotal evidence of the success from the campaign shows that older people had engaged with the service advertisement and were then supported into the Older Not Colder scheme.

Overall, the work by both Care & Repair Cymru and our local agencies in tackling fuel poverty for not only our clients but in Wales as a whole has only been possible due to the level of VCMA funding provided in the RIIO-GD2. Advice and support organisations, including Care & Repair, are facing increasing pressures, for example, our services have seen an 153% increase since 2020-21. We spend a large proportion of resource in applying for different funding streams to deliver a service that works for our clients. The level of VCMA funding we received for our Older Not Colder project has provided the opportunity to not only offer high-quality service to improve the incidence and impact of fuel poverty but also to explore innovative ways to support affordable warmth agenda as a whole.

**The future of the energy market**

Wales & West Utilities Business Plan from 2026-31 proposes that the VCMA funding level should continue to be set at £4 million to match RIIO-GD2 levels[[3]](#footnote-4) as opposed to the £750,000 available before the repurposing of the Fuel Poor Network Extension funds in July 2023. Whilst the worst of the energy crisis may be behind us, we strongly agree with Wales & West Utilities that VCMA funding cannot revert to the level set before the funding changes. Every day Care & Repair witnesses, firsthand, the impact the energy crisis continues to have on older people in Wales and the uncertainty of the transition to net zero means it is now more important than ever to ensure vulnerable households are provided with high-quality support.

Long-lasting impact of the energy and cost-of-living crisis

Care & Repair Cymru believes it is critical to maintain current levels of VCMA funding to support households navigate the long-lasting impact of both the energy and cost-of-living crisis. Energy debt sits at a record level high of £3.3 billion, with two thirds being arrears with no form of repayment[[4]](#footnote-5). Lower income households are continuing to struggle in keeping up with their bills as energy debt levels becomes unmanageable. The Citizen Advice research highlights that 5.3 million people are currently in debt to their suppliers[[5]](#footnote-6) and households will go without gas and electricity for prolonged periods of time because they cannot afford to top up their meters. This is why we urge Ofgem to keep VCMA funding to current levels so that Gas Distribution Networks, such as Wales & West Utilities, can continue to fund programmes which offer a lifeline to these households.

Transition to net zero

Ensuring a fair and equitable transition to net zero is a key priority for both UK and Devolved Government, as highlighted in Welsh Government’s Just Transition Framework that advocates for no one to be left behind on the pathway to decarbonisation[[6]](#footnote-7). Care & Repair Cymru is concerned for lower income, vulnerable homes that may be disproportionately impacted in the journey to net zero. For example, older people and those with health conditions may have to spend more on heating to produce an appropriate temperature to alleviate their conditions and rising bills associated with the move away from fossil fuels will mean they are at risk of being left behind in the decarbonisation process. Overall, we believe that VCMA funding has a future role in providing the resource to invest in the poorest and most vulnerable households in supporting them throughout their retrofit journey. Tackling fuel poverty and reaching our net zero goals are intertwined and the VCMA resource has a role to play to eliminating carbon emissions for the poorest households.

1. Wales & West Utilities (2024) Business Plan 2026-31. [↑](#footnote-ref-2)
2. Ofgem (2023) VCMA Decision Letter. Available at: <https://www.ofgem.gov.uk/sites/default/files/2025-01/VCMA_decision_letter.pdf> [↑](#footnote-ref-3)
3. Wales & West Utilities (2024) Business Plan 2026-21. Available at: [↑](#footnote-ref-4)
4. [↑](#footnote-ref-5)
5. Citizen Advice (2024) <https://www.citizensadvice.org.uk/about-us/media-centre/press-releases/more-than-two-million-people-will-be-cut-off-from-their-gas-and-electricity-this-winter-because-they-cant-afford-to-top-up-citizens-advice-warns/> [↑](#footnote-ref-6)
6. Welsh Government (2023) Just Transition Framework. Available at: <https://www.gov.wales/sites/default/files/consultations/2023-12/consultation-just-transition-framework.pdf> [↑](#footnote-ref-7)