

## Story 3

# Thinking FUEL

Community action and bulk buying in rural Great Yarmouth

**Fuel poverty is a serious problem in Norfolk, especially in rural areas due to low incomes, older housing stock and poor standards of insulation. Furthermore 80% of Norfolk is not connected to mains gas leading to dependence on oil in a majority of areas. The cost of oil is a cause for concern; the average price of a litre of heating oil has risen from 20p in 2004 to just over 60p today.**

Great Yarmouth is among the worst affected areas in the Country for fuel poverty. In 2011, 17.6% of households across Great Yarmouth were in fuel poverty, as opposed to 13.9% across East Anglia. (These figures are based on the old definition that a person is in fuel poverty if they spend more than 10% of their disposable income on heating).

A number of independent bulk buying schemes exist but tales abound about how they operate as exclusive clubs. It is for this reason that we have set up the fuel buying groups as community organisations with a constitution that clearly states that membership is open to everyone in the Parish.

In addition, unlike conventional fuel groups, the Norfolk RCC schemes, known as *Thinking Fuel*, do not pressurise people to purchase oil at any particular time of the year. By contrast conventional, privately run schemes can put a strain on people who don't need to buy at the same time as the co-ordinator. In the case of Thinking Fuel so long as a member orders on or before the first working day of any particular month they can access the syndicate bulk price. Our aim is to make it open to everyone and available at all times.



## Ambitions

The ambition was to:

- improve the lives of people by enabling them access to heating oil at the best price, and
- improve people's awareness of fuel poverty in general.



# What happened?

## Identifying the right provider

Norfolk RCC identified AF Affinity (the trading arm of Anglia Farmers) as a partner able to provide oil. The advantage was they are one of the largest bulk buying schemes in East Anglia. They negotiate oil prices on a daily basis and are able to offer excellent prices at all times of the year. This means we are able to offer a service which people can use at any time (unlike traditional syndicates which order 3-4 times per year and require collection of money).



## Raising awareness

We held a series of information events highlighting opportunities to address fuel poverty. This focused on the advantages of a community based fuel syndicate but also provided information on energy saving, electricity/gas switching and renewables.

Norfolk RCC piloted fuel bulk buying in Hemsby, where a community survey expressed clearly that people wanted access to bulk buying especially of oil.

## Taking things further

The pilot scheme was quickly established and a co-ordinator was identified. In two years more than 65 schemes have been created across Norfolk, with five in the Great Yarmouth area. The project has evolved and now offers a range of bulk buying opportunities as well as other fuels.

The other schemes have developed through word of mouth. People have contacted Norfolk RCC to ask if they could have a scheme for their district and the Development Officer has got them up and running through public meetings and with the support of the parish councils.

We decided to run the oil schemes on a parish-wide basis in order to optimise the chances of community ownership. A small membership fee covers the cost of administration of the Project. By engaging the parishes we hoped to ensure that payment is sustainable.

We arrange a public meeting to give the community an opportunity to ask questions and information is also made available through local press and newsletters.

We have insisted that each new group adopts a standard constitution that sets out clearly that everyone in the community has the right to join, in order to avoid any exclusivity.

## Beneficiaries and partners

The initial approach for setting up each scheme has usually been through the parish council followed by a public meeting. AF Affinity purchases the oil. As the Project has grown, the information events have included more people and local organisations.

Due to the concern about fuel poverty, we have attracted significant numbers of people to the public meetings. In Martham over 60 people attended and in Ormesby St Margaret in excess of 70 people.

# Pooling Assets

- AF Affinity has an oil buying team and therefore has the ability to provide competitive prices at all times
- Norfolk RCC provides marketing and development officer time to promote and administer
- Parish councils bring the community together and promote the public meetings and usually pay the membership fee as that is simpler than trying to collect it from individual group members.



## Challenges and solutions

We are unable to guarantee the lowest price, instead we offer a bulk buying price at the start of the month based on the number of people ordering across Norfolk. This can lead to 1-3p per litre saving against that days market average price. Some parish councils have been reluctant to pay the £20 annual membership fee so we are now considering £50 life membership to alleviate this problem.

## Justifying the project

On the positive side, it is a simple scheme for the members which offers consistent savings (although not always the cheapest possible). We have widened the bulk buying offer to include a wide range of fuel items, such as fuel additives, bottled gas, coal, biomass, salt and even white goods.

On the negative side because we have decided to make it a community-based scheme, we do not get many individuals joining as, although we are looking at the issue. Some people see the scheme as competing with existing syndicates, although we have made it clear that there is no compulsion to purchase, and indeed, anyone can join both schemes.

**The Scheme requires a lot of officer time to promote and maintain levels of information and support for the co-ordinator.**

# Outcomes

- **Five new community enterprises** have been established in the Great Yarmouth rural area
- **1000s of people can access oil at significantly better prices** across the County as the Scheme is growing daily
- **More than 300 people in the Great Yarmouth area are better informed about fuel poverty** and methods of saving on fuel costs
- **The scheme has been recognised as an important asset** and has now become part of the Warm and Well offer.

## What's it worth?

There are currently a combined total of over 2,500 members across Norfolk with the numbers growing daily.

On average, members saved 9% on their fuel bills in 2012; people who had a standard household usage of 2000 litres last year with *Thinking Fuel* would have saved on average £120.

Great Yarmouth currently has five Norfolk RCC fuel bulk buying groups in the rural areas:

- Ormesby (106 members)
- Martham (145 members)
- Winterton (53 members)
- Hemsby (208 members)
- Rollesby and Repps (69 members).

We held a series of information events highlighting opportunities to address fuel poverty. This focused on the advantages of a community based fuel syndicate but also provided information on energy saving, electricity/gas switching and renewables.

## Next steps

The fuel groups provide Norfolk RCC with a base of people that we can contact about issues relating to fuel poverty to inform them of opportunities available, such as Energy Best Deal (programme to help people switch energy providers) and Warm and Well (Norfolk County's Strategy to help vulnerable people through the winter), thus promoting NCC's agenda more effectively.

**Green Deal:** We are currently beginning to get information through Green Deal, which presents a number of opportunities that we can offer to members, for example special offers on renewables such as ground source heat pumps.

**Promoting schemes:** Norfolk County Council has developed an interactive map which will highlight where schemes are in the County and how we can develop communities further. See: <http://www.bigswitchandsave.co.uk/oilhubs>

Wherry Housing Trust is also a member so that their residents can now access the Scheme.

**Connecting communities:** The schemes enhance our ability to bring the community together, albeit in a small way. People promote it to their friends and neighbours because they are aware that the more members there are the cheaper oil becomes. In addition people quite often help their neighbours to order, especially where they already look out for them.

We have been looking at the issue of minimum delivery of 500 litres and how to deal with it.

## Reflections:

We are constantly evaluating the Project to improve it, such as what to charge for membership and how to contact people who are not on e-mail.

### Key Learning points

- It has been a very successful Scheme with over 2,500 members across Norfolk in two years. This demonstrates the level of concern about the cost of heating and how there is a need for a simple solution.
- One quarter of people on the Scheme do not have e-mail, highlighting the digital divide. An increasing problem as the cost of sending out letters becomes prohibitive.
- In the future we plan to link the schemes to Good Neighbour Schemes.