



Offering Lancashire residents a Fairer energy deal





- Introduction by Eirian Molloy, Preston City Council
- Information about Fairerpower
- Next steps



Introduction by EIRIAN MOLLOY

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What is Fairerpower?



A partnership between **Cheshire East Council**, the **Skills & Growth Company** (A wholly owned company of CEC) and **OVO energy**

A local alternative to the '**Big Six**', to tackle fuel poverty and help residents struggling to pay fuel bills

With competitive rates Fairerpower offers **affordable energy** and **drives prices down locally**

Offers **pay monthly** (fixed or variable) or **pre-pay (PAYG)** deals

Money saved by residents benefits the **local community**

Partnering with OVO lets us create a customer base with **industry expertise**, sharing the risk and reward

Tariffs are pegged to OVO, with annual open book assessment by Council-retained advisors



A Fairer deal for Lancashire

All sections of the community and businesses benefit from Fairerpower

Fixed 12-month
term – with no
increases over that
period

Simple,
straightforward
billing and
award-winning
customer service

Average savings
pa of £200-£300
per customer

3% interest reward on
credit balances, and a
standing charge of just
£102

Low rates for
both electricity &
gas



Why provide your own energy?

Take a look at the relevant facts both for the UK and for Lancashire

97%

of domestic energy customers are still with one of the Big Six

60%

of all customers have NEVER switched

12.2%

of Lancashire households are in fuel poverty, higher than England average (1)

12.7%

of households in social housing (2)

“Fuel poverty is a cause of health inequalities, which the Council is committed to reducing”

**That's where Fairerpower can help you...
and your residents**

1 www.lancashire.gov.uk/media/901971/fuel-poverty-2015-winter-fuel-payments-2015-16-article.pdf
2 Office for National Statistics; Census 2011

Benefits for Lancashire

Lancashire has over 600,000 households

- The area should be able to attract 3% of households in the first year to Fairerpower Red Rose which would result in over 18,000 customers. With an average saving say of £250 p.a. this would equate to a social value of £4.5million into the local economy

This would also create a modest revenue stream for the participating local authorities.

- No cost in OJEU procurement
- Customer base developed in readiness for the district heating aspirations
- Assisting local residents, particularly the fuel poor
- Excellent offer for the most vulnerable in Lancashire suffering health issues
- One of the best rates for prepayment meters
- Own tenants will benefit significantly
- Quick to market once contract signed



Case study on the success of Cheshire East

In Fairerpower's first two years it has been very successful

8,000

customers signed up

5%

of residents joined

£2m

savings for residents

60%

of customers are 'sticky'

SMART meters installed as standard for PAYG

Strong resident engagement

2 strategic partners acquired

Consistently cheaper than big 6 tariffs

One of the cheapest PAYG tariff nationally



How Local Authorities benefit from being a Fairerpower partner?



A **low-cost, OJEU-compliant** energy solution

No procurement costs – saving up to **£120,000**

Guaranteed income stream

Quick to market – approx. 1 month timeframe

Exclusivity for Partner organisation, their residents

You help **alleviate fuel poverty**

A **share of ECO funds** from energy supplier

Access to Fairerpower brand and **full suite of marketing materials**

Established and efficient back office and billing systems

Providing your residents **excellent customer service**



How Cheshire East Benefits from partners joining?

Growing the
Fairpower
partnership

Helps to
promote switch
and the ease of
it.

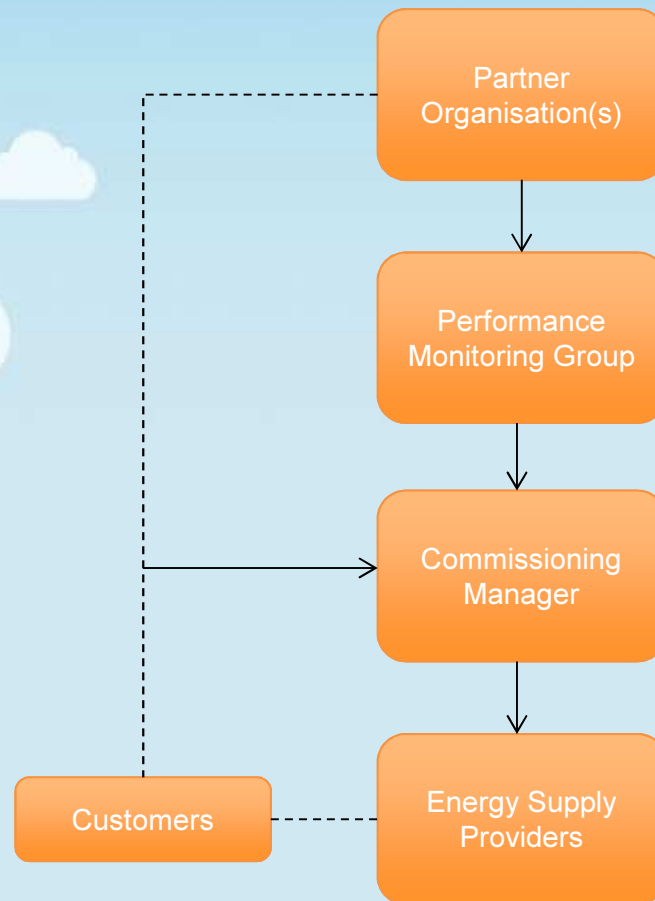
Recover
costs from
establishing
the scheme

Continues to
shake up the
energy market

Expanding the
brand



Governance



Next steps

Support Lancashire authorities to launch and market the brand locally

- Direct mail campaigns
- Email campaign
- Competitions for your residents
- Local marketing
- Working with partner organisations such as CAB, Age UK and parishes

Procurement to add to the Fairerpower brand, improving service offering to your residents.

- LPG, Oil, biomass, other fuel sources
- Void housing offer
- New developments
- Business

Ready-prepared marketing materials



Ready-prepared marketing materials



Contact Details

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