



FAIR OAK & HORTON HEATH PARISH COUNCIL

• 2 Knowle Park Lane, Fair Oak, Eastleigh, SO50 7GL ☎ (023) 8069 2403

✉ enquiries@fairoak-pc.gov.uk 🌐 www.fairoak-pc.gov.uk

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SUMMONS

Dear Member

29 August 2023

You are hereby summoned to attend a meeting of the **FINANCE COMMITTEE** held on Monday, 4 September 2023 at 10.00 a.m. at the Parish Office, 2 Knowle Park Lane, Fair Oak.

Melanie Stephens

Melanie Stephens, Parish Clerk

PUBLIC PARTICIPATION: This meeting is open to members of the public. If you wish to speak at the meeting, you should submit a request by email to clerk@fairoak-pc.gov.uk by 4pm on Friday 31 August 2023.

AGENDA

APOLOGIES

1 DECLARATIONS OF INTEREST

To receive declarations of interest and dispensation requests.

2 MINUTES (PAPER A, PAGES 3-6)

To note the minutes of the meeting held on 10 July 2023.

3 ELECTION OF VICE-CHAIRMAN

To elect a vice-chairman for the forthcoming municipal year.

4 BUDGET UPDATE (REPORT B, PAGES 7-17)

To review the latest budget position.

5 ELECTRICITY CHARGES (REPORT C, 18-42)

To consider the progress made to date on streamlining the Council's electricity charges across all sites.

6 STAFF BENEFITS (VERBAL REPORT)

To review an update on progress investigating staff BUPA.

7 STAFF TOIL/OVERTIME (VERBAL REPORT)

To discuss the management of staff toil/overtime and payments.

8 WORK PROGRAMME (REPORT D, PAGE 43-44)

To consider the Committee's work programme and make changes as necessary and to note the Electricity Action Plan.

To: Councillors

Cllr P Barrett

Cllr H Douglas (Chairman)

Cllr W Chivuchi

Cllr N Couldrey

Cllr K Forfar

Cllr T Higby

Cllr M Marsh

Cllr B Tennent

Officers

Mrs J Cahill (RFO)

Ms M Stephens (Clerk)

Mrs M Leadbitter-Allen (Deputy Clerk)



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**Minutes of the FINANCE COMMITTEE meeting held on
Monday 10 July 2023 at 10.00am
at the Fair Oak Parish Office, 2 Knowle Park Lane, Fair Oak**

P – present, Pt – part of the meeting, Ab – absent, Ap – apologies.

P	Cllr Barrett	Ap	Cllr Forfar
P	Cllr Douglas (Chair)	Ap	Cllr Higby
Ab	Cllr Chivuchi	Ap	Cllr Marsh
P	Cllr Couldrey	P	Cllr Tennent

Officers in attendance:

Joanna Cahill, Responsible Finance Office and Melanie Stephens, Clerk

PUBLIC SESSION

No members of the public were present.

1 DECLARATIONS OF INTEREST

There were none.

2 MINUTES OF MEETINGS (PAPER A)

RESOLVED:

That the minutes of the meeting held on 16 March 2023 be noted.

3 ELECTION OF VICE-CHAIR

RESOLVED:

That this item be deferred to the next meeting.

4 QUARTERLY FINANCIAL MONITORING (REPORT B)

The Committee considered the Parish Council's current financial position against the approved 2023/24 budgets.

The total budget agreed by the Council for the 23/24 financial year was £605,130.

The Finance Officer and Deputy Clerk were currently investigating electricity charges across all sites due to higher-than-expected charges and discrepancies in invoices. An action plan which included installation of smart meters across all sites, online billing, change in tariffs and contracts was in place and would be shared with members. Staff were also investigating cost of additional solar panels and battery storage at the Parish Offices to support the electric vehicles and hand-held machinery.

Members were also informed of an oversight in the budget. Unfortunately, the splashpad maintenance budget had not been included in this years' allocation.

The Finance Officer explained that these costs could be covered by using the additional income from interest rates. The Council had received £4,273 for interest income for the first 3 months of the financial year against a full-year budget of £3,000 and was on track to receive approximately £17k for the full financial year. This was supported by members.

The Chairman requested, for transparency, that a one-off grass cutting in part of her field would be undertaken at her property. This work would be fully invoiced at the usual rate and would be paid in full.

The Chairman announced that due to the Council's involvement in the resurfacing of the car park to the Twynams cottages, the costs for the retrospective planning application would be met by the Council and take out of general reserves. All members supported this suggested.

RESOLVED:

That latest budget position as at 30 June 2023 be noted.

5 FINANCE RISK ASSESSMENT (REPORT C)

The Committee considered the Council's Finance Risk Assessment.

RESOLVED:

That the Finance Risk Assessment be approved.

6 FINANCES REGULATIONS (REPORT D)

The Committee reviewed the Council's Finance Regulations.

RECOMMENDED:

That the Council adopt the Finance Regulations set out in Report D.

7 STAFF RECOGNITION AWARDS (REPORT E)

The Committee considered suggested amendments to the staff recognition award policy which included an additional layer of review by the Chairman and Clerk as part of the annual appraisal process.

Members supported the changes but suggested that rather than have awards come

sporadically throughout the year, the Clerk bring all proposals annually, to the March meeting at the end of the financial year and following completion of the appraisal process.

RESOLVED:

- a) That the suggested changes be approved; and
- b) That all allocations be considered at agreed annually at the March Finance Committee meeting.

8 STAFF BENEFITS

The Clerk had, under instruction from the Chairman, undertaken a desk-top exercise of the cost of BUPA for the Clerk and Deputy Clerk as well as other benefits to all employees such as reduced rates for Council services and cost of staff eye tests.

Members requested that further investigation be undertaken with regard to BUPA including costs of tax contributions.

Members were happy to support the costs of staff sight tests and a 25% discount on Council services such as hall hire, allotments & tennis.

RESOLVED:

- a. That the Clerk investigate BUPA costs for update at the next Committee meeting; and
- b. That additional staff benefits be approved to include the costs of staff sight tests and a 25% discount on Council services such as hall hire, allotments & tennis.

9 STAFF TOIL/OVERTIME

The Finance Officer reported that the way in which staff toil/overtime was being managed needed review as different approaches were being undertaken for Operations and Admin staff in that all overtime recorded on timesheets for Operations staff was being paid, whereas overtime for admin staff was just being logged and take as time off in lieu.

In order to have a standard and fair approach for all staff, the Clerk was asked to undertake a benchmarking exercise to ascertain how other Town and Parish Council's manage staff overtime and report back to the next Committee meeting.

RESOLVED:

That the Clerk undertake a benchmarking exercise to ascertain how other Town and Parish Council's manage staff overtime and report back to the next Committee meeting.

10 BANK MANDATE

RESOLVED:

That all Finance Committee members and Senior Officers be signatories for the Council's bank mandate.

11 WORK PROGRAMME (REPORT F)

Members requested that an additional meeting be scheduled in September due to the additional actions for officers arising from the meeting.

RESOLVED:

- (a) That the work programme is noted; and
- (b) That an additional meeting be scheduled at the beginning of September 2023.

Signed.....Chairman

Accessibility - should you need to view these minutes in an alternative format please contact: enquires@fairoak-pc.gov.uk

FINANCE COMMITTEE – 4 SEPTEMBER 2023

FINANCIAL MONITORING REPORT

1. RECOMMENDATIONS

- 1.1 That the Committee notes the Council's financial position as at 7 August 2023.

2. INTRODUCTION

- 2.1 This report provides a summary of the Council's financial position as at 7 August 2023.

3. BACKGROUND

- 3.1 The Council's approved budget for the financial year 2023/24 is £605,130.

4. BUDGET MONITORING

Expenditure

- 4.1 After reviewing the detailed income and expenditure cost centre report (attached at Appendix 1) officers have identified overspends above 10% of the original budget for members' scrutiny and have given commentary on the overspend in the table below:

Cost centre	23/24 budget	Spend to date	% Spent
PO business rates	16,320	17,216	105.5
PO Electricity	2,800	6,406	222.8
PO Cleaning	500	713	142.6
Vehicle Insurance	3,000	3,863	128.8
WCC business rates	7,500	8,177	109
WCC cleaning	500	646	129
HHCC electricity	1,500	3,551	236
Pitch maintenance	4,500	4,936	109
NCP general maintenance	500	645	130

Table 1

- 4.2 The business rate increase went above what was provisionally budgeted for.
- 4.3 The increase in electricity charges is being dealt with by the Deputy Clerk under separate cover.

Income

- 4.4 The Council budgeted for £3,000 for interest income however to date the Council has received £6,435. This is due to the increase in inflation. Should these rates continue, the Council is expected to receive approximately £17,000 at the end of this financial year.

5. FINANCIAL IMPLICATIONS

- 5.1. The Council must keep a regular review of the progress against all budget headings to ensure unnecessary overspending. Where overspends cannot be avoided these must be reported to the Council.
- 5.2. Whilst some overspends have been identified, the Finance Officer is not overly concerned about the impact this will have on the closing budget for this financial year as the underspends in the budget will compensate for these. In short, the Council will be able to achieve a balanced budget at the end of the year.

6. CLIMATE/CRIME & DISORDER IMPLICATIONS

- 6.1 None directly arising from this report.

7. EQUALITY & DIVERSITY IMPLICATIONS

- 7.1 None directly arising from this report.

8. CONCLUSION

- 8.1 At the request of the Committee an additional budget monitoring report has been produced for member scrutiny. Whilst some overspends have been unavoidable these can be offset against the additional income received from interest on our current account.

FOR FURTHER INFORMATION CONTACT:

Name: Jo Cahill, Responsible Finance Officer

Email: finance@fairoak.gov.uk

07/08/2023

Fair Oak & Horton Heath Parish Council

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Detailed Income & Expenditure by Budget Heading 07/08/2023

Month No: 5

Cost Centre Report

		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>100</u>	<u>Income</u>								
1076	Precept	469,918	247,510	495,030	247,520			50.0%	
1090	Interest Received	7,647	6,435	3,000	(3,435)			214.5%	
1300	Football Income	6,081	363	4,500	4,137			8.1%	
1310	Cricket Income	2,500	0	2,600	2,600			0.0%	
1550	Tennis Income	1,837	801	2,000	1,199			40.0%	
1900	Other Income	18,460	30,511	500	(30,011)			6102.2%	28,750
1905	Section 106 Income	810,975	0	0	0			0.0%	
	Income :- Income	<u>1,317,418</u>	<u>285,619</u>	<u>507,630</u>	<u>222,011</u>			<u>56.3%</u>	<u>28,750</u>
	Net Income	<u>1,317,418</u>	<u>285,619</u>	<u>507,630</u>	<u>222,011</u>				
6001	less Transfer to EMR	841,255	28,750						
	Movement to/(from) Gen Reserve	<u>476,163</u>	<u>256,869</u>						
<u>110</u>	<u>Administration</u>								
4000	Salaries	299,938	103,328	288,493	185,165		185,165	35.8%	
4010	Employer's Pension	75,179	24,584	65,366	40,782		40,782	37.6%	
4030	Sickness/Holiday Cover	1,795	730	2,000	1,270		1,270	36.5%	
4055	Insurance	10,456	0	16,000	16,000		16,000	0.0%	
4060	Audit	2,100	(700)	2,200	2,900		2,900	(31.8%)	
4070	Legal & Professional Fees	12,344	3,667	5,000	1,333		1,333	73.3%	
4075	Postage	2	0	100	100		100	0.0%	
4080	Stationery	1,268	107	500	393		393	21.3%	
4085	Printer Consumables	956	549	1,380	831		831	39.8%	
4090	Admin Maintenance	1,001	251	1,000	749		749	25.1%	
4095	Bank Charges	62	20	50	30		30	40.0%	
4100	Chairman's Allowance	321	0	400	400		400	0.0%	
4105	Conference/Training/Staffing	2,692	160	2,500	2,340		2,340	6.4%	
4110	Clothing	1,286	621	1,000	379		379	62.1%	
4120	Telephone & Broadband	3,469	1,330	5,500	4,170		4,170	24.2%	
4125	Mobile Phone	312	116	1,000	884		884	11.6%	
4132	Subscriptions	1,957	395	1,000	605		605	39.5%	
4133	Software and support	9,006	3,643	7,734	4,091		4,091	47.1%	
4134	Members IT	5,471	341	9,900	9,559		9,559	3.4%	
4140	Card Payments	72	0	0	0		0	0.0%	
4990	Sundry Expenses	721	256	700	444		444	36.6%	
	Administration :- Indirect Expenditure	<u>430,408</u>	<u>139,397</u>	<u>411,823</u>	<u>272,426</u>	<u>0</u>	<u>272,426</u>	<u>33.8%</u>	<u>0</u>
	Net Expenditure	<u>(430,408)</u>	<u>(139,397)</u>	<u>(411,823)</u>	<u>(272,426)</u>				
6000	plus Transfer from EMR	38,733	0						
	Movement to/(from) Gen Reserve	<u>(391,675)</u>	<u>(139,397)</u>						

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Detailed Income & Expenditure by Budget Heading 07/08/2023

Month No: 5

Cost Centre Report

		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
150	Parish Office								
1200	Hiring Fees	7,726	1,679	8,000	6,321			21.0%	
	Parish Office :- Income	7,726	1,679	8,000	6,321			21.0%	0
4395	Business Rates	15,220	17,216	16,320	(896)		(896)	105.5%	
4400	Gas	2,430	1,126	2,800	1,674		1,674	40.2%	
4405	Electricity	1,496	6,406	2,800	(3,606)		(3,606)	228.8%	
4410	Water	350	314	700	386		386	44.9%	
4415	Repairs	1,605	335	500	165		165	67.0%	
4425	Health & Safety	4,498	435	3,200	2,765		2,765	13.6%	
4435	Cleaning	514	713	500	(213)		(213)	142.6%	
4450	Equipment - Internal	222	13	500	487		487	2.6%	
4680	General Bin Emptying	875	507	1,000	493		493	50.7%	
4990	Sundry Expenses	235	125	100	(25)		(25)	125.0%	
	Parish Office :- Indirect Expenditure	27,445	27,189	28,420	1,231	0	1,231	95.7%	0
	Net Income over Expenditure	(19,719)	(25,510)	(20,420)	5,090				
210	Machinery and Van								
4300	Machinery - General Repairs	2,515	1,003	2,000	997		997	50.1%	
4305	Fuel	4,998	2,038	5,000	2,962		2,962	40.8%	
4310	Road Tax	580	640	600	(40)		(40)	106.7%	
4315	Maintenance - Vans	7,591	384	2,500	2,116		2,116	15.4%	
4320	Vehicle Insurance	3,642	3,863	3,000	(863)		(863)	128.8%	
	Machinery and Van :- Indirect Expenditure	19,326	7,928	13,100	5,172	0	5,172	60.5%	0
	Net Expenditure	(19,326)	(7,928)	(13,100)	(5,172)				
230	Crowdhill Community Building								
1200	Hiring Fees	29,125	9,277	40,000	30,723			23.2%	
	Crowdhill Community Building :- Income	29,125	9,277	40,000	30,723			23.2%	0
4120	Telephone & Broadband	973	331	700	369		369	47.3%	
4395	Business Rates	7,111	8,177	7,500	(677)		(677)	109.0%	
4400	Gas	5,741	1,541	2,000	459		459	77.1%	
4405	Electricity	4,037	797	3,000	2,203		2,203	26.6%	
4410	Water	282	0	350	350		350	0.0%	
4415	Repairs	951	684	1,000	316		316	68.4%	
4420	CCTV Maintenance	0	0	100	100		100	0.0%	
4425	Health & Safety	6,477	1,087	4,500	3,413		3,413	24.2%	
4435	Cleaning	1,152	646	500	(146)		(146)	129.2%	
4450	Equipment - Internal	724	0	500	500		500	0.0%	

Detailed Income & Expenditure by Budget Heading 07/08/2023

Month No: 5

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4455 Equipment - External	964	0	500	500		500	0.0%	
4680 General Bin Emptying	(1,351)	887	1,100	213		213	80.6%	
4990 Sundry Expenses	63	0	100	100		100	0.0%	
Crowdhill Community Building :- Indirect Expenditure	27,122	14,150	21,850	7,700	0	7,700	64.8%	0
Net Income over Expenditure	2,003	(4,873)	18,150	23,023				
240 Pavilion								
1200 Hiring Fees	239	38	500	462			7.6%	
1300 Football Income	0	611	0	(611)			0.0%	
Pavilion :- Income	239	649	500	(149)			129.7%	0
4120 Telephone & Broadband	700	143	700	557		557	20.5%	
4400 Gas	1,373	325	1,000	675		675	32.5%	
4405 Electricity	442	0	1,000	1,000		1,000	0.0%	
4410 Water	41	0	300	300		300	0.0%	
4415 Repairs	1,850	610	1,000	390		390	61.0%	
4420 CCTV Maintenance	70	0	100	100		100	0.0%	
4425 Health & Safety	2,480	1,043	2,500	1,458		1,458	41.7%	
4435 Cleaning	0	0	100	100		100	0.0%	
4680 General Bin Emptying	947	733	1,000	267		267	73.3%	
Pavilion :- Indirect Expenditure	7,903	2,854	7,700	4,846	0	4,846	37.1%	0
Net Income over Expenditure	(7,664)	(2,206)	(7,200)	(4,994)				
250 HHCC								
1200 Hiring Fees	30,510	5,414	30,000	24,586			18.0%	
HHCC :- Income	30,510	5,414	30,000	24,586			18.0%	0
4120 Telephone & Broadband	606	18	700	682		682	2.6%	
4395 Business Rates	2,645	2,502	3,060	558		558	81.8%	
4400 Gas	3,876	261	1,500	1,239		1,239	17.4%	
4405 Electricity	2,634	3,551	1,500	(2,051)		(2,051)	236.7%	
4410 Water	523	179	400	221		221	44.8%	
4415 Repairs	2,261	110	800	690		690	13.8%	
4425 Health & Safety	3,001	532	3,282	2,750		2,750	16.2%	
4435 Cleaning	100	0	100	100		100	0.0%	
4450 Equipment - Internal	0	0	50	50		50	0.0%	
4595 General Maintenance	0	0	300	300		300	0.0%	
4680 General Bin Emptying	976	534	1,000	466		466	53.4%	
HHCC :- Indirect Expenditure	16,622	7,687	12,692	5,005	0	5,005	60.6%	0
Net Income over Expenditure	13,889	(2,273)	17,308	19,581				

Detailed Income & Expenditure by Budget Heading 07/08/2023

Month No: 5

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
280 Other Properties								
4480 Bus Shelters	266	0	100	100		100	0.0%	
4485 Memorial	0	0	50	50		50	0.0%	
4490 Memorial Clock	860	0	500	500		500	0.0%	
4505 Village Flowers	2,354	1,510	3,000	1,490		1,490	50.3%	
Other Properties :- Indirect Expenditure	3,479	1,510	3,650	2,140	0	2,140	41.4%	0
Net Expenditure	(3,479)	(1,510)	(3,650)	(2,140)				
6000 plus Transfer from EMR	352	0						
Movement to/(from) Gen Reserve	(3,127)	(1,510)						
290 General Grounds Maintenance								
4530 Equipment - Purchases	65,265	13,616	26,000	12,384		12,384	52.4%	
4535 Equipment - Maintenance	493	1,099	1,000	(99)		(99)	109.9%	
4540 Materials	4,653	2,474	3,000	526		526	82.5%	
General Grounds Maintenance :- Indirect Expenditure	70,411	17,189	30,000	12,811	0	12,811	57.3%	0
Net Expenditure	(70,411)	(17,189)	(30,000)	(12,811)				
300 Lapstone Playing Fields								
4575 Cricket (Winter)	0	585	800	215		215	73.1%	
4580 Football	291	0	500	500		500	0.0%	
4585 Tennis	30	0	300	300		300	0.0%	
4590 Pitch Maintenance	2,004	4,936	4,500	(436)		(436)	109.7%	
4595 General Maintenance	670	0	800	800		800	0.0%	
4600 Dog Bin Emptying	653	80	600	520		520	13.4%	
4670 Signs & Bins	0	0	50	50		50	0.0%	
4675 Signs	36	0	0	0		0	0.0%	
4680 General Bin Emptying	55	0	500	500		500	0.0%	
Lapstone Playing Fields :- Indirect Expenditure	3,739	5,601	8,050	2,449	0	2,449	69.6%	0
Net Expenditure	(3,739)	(5,601)	(8,050)	(2,449)				
310 Knowle Park								
4595 General Maintenance	6,774	102	7,000	6,898		6,898	1.5%	
4630 Fencing	128	0	500	500		500	0.0%	
4635 Security	0	0	50	50		50	0.0%	
4640 Water Supply -White Tree Close	0	0	100	100		100	0.0%	
4645 Seating/Bins	2,206	(130)	2,000	2,130		2,130	(6.5%)	

Detailed Income & Expenditure by Budget Heading 07/08/2023

Month No: 5

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4670 Signs & Bins	209	40	100	60		60	40.0%	
4675 Signs	100	0	0	0		0	0.0%	
Knowle Park :- Indirect Expenditure	9,418	12	9,750	9,738	0	9,738	0.1%	0
Net Expenditure	(9,418)	(12)	(9,750)	(9,738)				
<u>320 New Century Park</u>								
4420 CCTV Maintenance	70	0	70	70		70	0.0%	
4595 General Maintenance	139	654	500	(154)		(154)	130.8%	
4680 General Bin Emptying	0	0	200	200		200	0.0%	
New Century Park :- Indirect Expenditure	209	654	770	116	0	116	84.9%	0
Net Expenditure	(209)	(654)	(770)	(116)				
<u>330 Knowle Hill</u>								
4595 General Maintenance	235	0	300	300		300	0.0%	
Knowle Hill :- Indirect Expenditure	235	0	300	300	0	300	0.0%	0
Net Expenditure	(235)	0	(300)	(300)				
<u>360 Oak Walk</u>								
4595 General Maintenance	0	0	10	10		10	0.0%	
Oak Walk :- Indirect Expenditure	0	0	10	10	0	10	0.0%	0
Net Expenditure	0	0	(10)	(10)				
<u>370 Daisy Dip</u>								
4595 General Maintenance	0	0	100	100		100	0.0%	
Daisy Dip :- Indirect Expenditure	0	0	100	100	0	100	0.0%	0
Net Expenditure	0	0	(100)	(100)				
<u>380 Wyvern Meadow</u>								
4595 General Maintenance	0	0	100	100		100	0.0%	
Wyvern Meadow :- Indirect Expenditure	0	0	100	100	0	100	0.0%	0
Net Expenditure	0	0	(100)	(100)				
<u>400 Play Areas General</u>								
4595 General Maintenance	340	0	600	600		600	0.0%	
4750 ROSPA Fees	473	0	500	500		500	0.0%	
Play Areas General :- Indirect Expenditure	813	0	1,100	1,100	0	1,100	0.0%	0
Net Expenditure	(813)	0	(1,100)	(1,100)				

Detailed Income & Expenditure by Budget Heading 07/08/2023

Month No: 5

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
410 New Century Park Play Area								
4595 General Maintenance	0	137	200	63		63	68.3%	
4993 New Century Park Playarea	465	0	500	500		500	0.0%	
New Century Park Play Area :- Indirect Expenditure	465	137	700	563	0	563	19.5%	0
Net Expenditure	(465)	(137)	(700)	(563)				
420 Dean Road Play Area								
4595 General Maintenance	0	118	100	(18)		(18)	118.3%	
Dean Road Play Area :- Indirect Expenditure	0	118	100	(18)	0	(18)	118.3%	0
Net Expenditure	0	(118)	(100)	18				
430 Meadowsweet Way Play Area								
4595 General Maintenance	353	41	500	459		459	8.3%	
Meadowsweet Way Play Area :- Indirect Expenditure	353	41	500	459	0	459	8.3%	0
Net Expenditure	(353)	(41)	(500)	(459)				
440 Knowle Park Play Area								
4595 General Maintenance	1,370	0	2,000	2,000		2,000	0.0%	
4670 Signs & Bins	0	119	100	(19)		(19)	119.1%	
4675 Signs	22	0	50	50		50	0.0%	
4770 Skatepark	0	0	500	500		500	0.0%	
Knowle Park Play Area :- Indirect Expenditure	1,392	119	2,650	2,531	0	2,531	4.5%	0
Net Expenditure	(1,392)	(119)	(2,650)	(2,531)				
450 Pembers Hill Church Yard								
4595 General Maintenance	0	0	100	100		100	0.0%	
Pembers Hill Church Yard :- Indirect Expenditure	0	0	100	100	0	100	0.0%	0
Net Expenditure	0	0	(100)	(100)				
460 Pembers Hill Drive								
4595 General Maintenance	0	0	1,000	1,000		1,000	0.0%	
Pembers Hill Drive :- Indirect Expenditure	0	0	1,000	1,000	0	1,000	0.0%	0
Net Expenditure	0	0	(1,000)	(1,000)				

Detailed Income & Expenditure by Budget Heading 07/08/2023

Month No: 5

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
470 Upper Barne Copse								
4595 General Maintenance	177	0	1,000	1,000		1,000	0.0%	
Upper Barne Copse :- Indirect Expenditure	177	0	1,000	1,000	0	1,000	0.0%	0
Net Expenditure	(177)	0	(1,000)	(1,000)				
6000 plus Transfer from EMR	900	0						
Movement to/(from) Gen Reserve	723	0						
480 Crowdhill Drive								
4595 General Maintenance	744	136	1,000	864		864	13.6%	
Crowdhill Drive :- Indirect Expenditure	744	136	1,000	864	0	864	13.6%	0
Net Expenditure	(744)	(136)	(1,000)	(864)				
490 Fair Oak Library								
4395 Business Rates	(1,551)	0	0	0		0	0.0%	
4420 CCTV Maintenance	70	0	0	0		0	0.0%	
4425 Health & Safety	497	0	500	500		500	0.0%	
4595 General Maintenance	4,362	2,358	3,000	642		642	78.6%	
Fair Oak Library :- Indirect Expenditure	3,378	2,358	3,500	1,142	0	1,142	67.4%	0
Net Expenditure	(3,378)	(2,358)	(3,500)	(1,142)				
6000 plus Transfer from EMR	(3,856)	0						
Movement to/(from) Gen Reserve	(7,234)	(2,358)						
500 Allotments								
1500 Allotment Income	3,710	32	4,000	3,968			0.8%	
1550 Tennis Income	17	9	0	(9)			0.0%	
Allotments :- Income	3,726	41	4,000	3,959			1.0%	0
4410 Water	133	0	300	300		300	0.0%	
4800 Allotments - Knowle Park	0	0	500	500		500	0.0%	
4805 Allotments - Campbell Way	0	0	50	50		50	0.0%	
4810 Allotments - Knowle Lane Ditch	0	0	1,000	1,000		1,000	0.0%	
4815 Allotments - Pest Control	190	0	400	400		400	0.0%	
4820 Allotments - Toilet	951	437	1,100	663		663	39.7%	
Allotments :- Indirect Expenditure	1,274	437	3,350	2,913	0	2,913	13.0%	0
Net Income over Expenditure	2,452	(396)	650	1,046				

Detailed Income & Expenditure by Budget Heading 07/08/2023

Month No: 5

Cost Centre Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
510 Cemetery								
1520 Burials Income	5,508	2,111	7,500	5,389			28.1%	
1530 Memorials Income	915	288	3,500	3,212			8.2%	
1540 Cremation Income	1,100	144	4,000	3,856			3.6%	
Cemetery :- Income	7,523	2,543	15,000	12,457			17.0%	0
4410 Water	165	0	115	115		115	0.0%	
4595 General Maintenance	857	0	500	500		500	0.0%	
Cemetery :- Indirect Expenditure	1,022	0	615	615	0	615	0.0%	0
Net Income over Expenditure	6,501	2,543	14,385	11,842				
550 Trees								
4825 Tree survey	1,750	1,800	2,000	200		200	90.0%	
4830 Trees - Lapstone Playing Field	518	380	500	120		120	76.0%	
4831 Trees - Knowle Park	1,454	0	500	500		500	0.0%	
4832 Trees - New Century Park	350	0	500	500		500	0.0%	
4833 Trees - Knowle Hill	420	0	500	500		500	0.0%	
4834 Trees - Lapstone Farm	2,930	0	500	500		500	0.0%	
4835 Trees - Oak Walk	0	0	500	500		500	0.0%	
4836 Trees - Daisy Dip	0	0	500	500		500	0.0%	
4837 Trees - Wyvern Meadow	311	0	500	500		500	0.0%	
4838 Trees - Fair Oak Cemetery	470	0	500	500		500	0.0%	
4839 Trees-HHCC open space	0	0	500	500		500	0.0%	
Trees :- Indirect Expenditure	8,203	2,180	7,000	4,820	0	4,820	31.1%	0
Net Expenditure	(8,203)	(2,180)	(7,000)	(4,820)				
600 Other Expenses								
4850 Section 137 - Grants	4,200	0	4,000	4,000		4,000	0.0%	
4855 Section 137 - Street Pastors	700	0	700	700		700	0.0%	
4860 Village Centre Project	91	0	0	0		0	0.0%	
4865 Election Expenses	0	0	500	500		500	0.0%	
4870 Youth Project	0	25,000	25,000	0		0	100.0%	
4875 Community Events Expenditure	4,424	1,297	4,000	2,703		2,703	32.4%	
4876 Bishopstoke PC Y zone	180	0	0	0		0	0.0%	
Other Expenses :- Indirect Expenditure	9,595	26,297	34,200	7,903	0	7,903	76.9%	0
Net Expenditure	(9,595)	(26,297)	(34,200)	(7,903)				
6000 plus Transfer from EMR	570	0						
Movement to/(from) Gen Reserve	(9,025)	(26,297)						

Detailed Income & Expenditure by Budget Heading 07/08/2023

Month No: 5

Cost Centre Report

		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
900	Reserves Spend								
4882	Community cafe	2,900	123,439	0	(123,439)		(123,439)	0.0%	123,439
4883	Additonal Tree Spend	2,750	0	0	0		0	0.0%	
4885	Village Name Plates	2,000	0	0	0		0	0.0%	
4888	Lapstone Farm	1,072	1,072	0	(1,072)		(1,072)	0.0%	1,072
4889	New Century Park	255,684	67,299	0	(67,299)		(67,299)	0.0%	67,299
4994	New Office&Compund General	2,860	508	0	(508)		(508)	0.0%	508
4996	RBS Software from gen reserve	283	0	0	0		0	0.0%	
4999	Woodland Community Centre	60	0	0	0		0	0.0%	
5003	Splashpad	686	2,524	0	(2,524)		(2,524)	0.0%	2,160
5004	Village Centre	8,654	3,380	0	(3,380)		(3,380)	0.0%	3,380
5006	Community Development	12,859	4,847	0	(4,847)		(4,847)	0.0%	4,847
5007	Public Art	5,874	0	0	0		0	0.0%	
5008	Hot Bins	1,164	0	0	0		0	0.0%	
5010	Community Library Building	0	113,204	0	(113,204)		(113,204)	0.0%	113,204
5011	Greening Campaign	2,371	0	0	0		0	0.0%	
5012	Crowdhill Green	15,678	83,640	0	(83,640)		(83,640)	0.0%	83,640
5013	Defibrillators	3,469	(252)	0	252		252	0.0%	
5014	Broadwalk	47,307	0	0	0		0	0.0%	
5015	Electric Vehicle	21,387	0	0	0		0	0.0%	
5016	Knowle Park	8,976	1,570	0	(1,570)		(1,570)	0.0%	1,570
5017	Ops Equipment	18,460	0	0	0		0	0.0%	
	Reserves Spend :- Indirect Expenditure	414,494	401,231	0	(401,231)	0	(401,231)		401,119
	Net Expenditure	(414,494)	(401,231)	0	401,231				
6000	plus Transfer from EMR	1,138,642	401,119						
6001	less Transfer to EMR	753,820	0						
	Movement to/(from) Gen Reserve	(29,673)	(112)						
<hr/>									
	Grand Totals:- Income	1,396,267	305,222	605,130	299,908			50.4%	
	Expenditure	1,058,226	657,226	605,130	(52,096)	0	(52,096)	108.6%	
	Net Income over Expenditure	338,040	(352,004)	0	352,004				
	plus Transfer from EMR	1,175,341	401,119						
	less Transfer to EMR	1,595,076	28,750						
	Movement to/(from) Gen Reserve	(81,694)	20,365						

FINANCE COMMITTEE – 4 SEPTEMBER 2023

PARISH OFFICE ENERGY REPORT

1. RECOMMENDATIONS

- 1.1. That the Finance Committee: -
- 1.2. Notes the contents of the report;
- 1.3. Select an energy supplier for the parish office from the tabled options set out in paragraph 6.3, with supply commencing with immediate effect. Further details are available at Appendix 1.
- 1.4. Agrees Phase 1 of the proposed solar installation at the parish office and chooses an installer from the quotations received; and
- 1.5. Agrees in principle of the submission of Phase 2 of the proposed solar installation in the 2023-2024 budget and the likely project timescales as set out in paragraph 11 below.

2. INTRODUCTION

- 2.1. This report provides a summary of the quotations received for a 1-year electricity supply contract. Due to market volatility and the higher prices of longer-term, fixed-rate contracts, it is recommended that members select a 1-year contract. It is for this reason that only 1-year contract prices have been reported and compared. ¹
- 2.2. To ensure that the Council chooses the most appropriate product, it is recommended that the choice of supplier goes beyond that of cost and value for money. The recommended benchmarks are as follows:
 - i. Cost and Value for Money
 - ii. Environmental Impact
 - iii. Customer Review and Ethical Status.

¹ Choosing a shorter business energy contract offers a flexible approach to managing current energy exposure.

It gives you the ability to buy periods in smaller pieces and to lock in 100% of wholesale costs for shorter periods of time when needed.

It spreads the cost (and risk) and allows you to take advantage of any dips in the market.

It is more flexible, as you're not tied to a contract and you're free to change without paying any exit charges.

The price per unit of energy will change every month, depending on the wholesale price of energy. You're vulnerable to price rises, but you can also make savings should energy prices fall.

3. BACKGROUND

- 3.1. The cost-of-living crisis has deeply affected the cost of energy in the UK, and it was deemed appropriate when the Parish Office's contract was due for renewal in October 2022 that, due to the volatility of the market, it would be best practice to secure only a 6-month contract with our existing supplier SSE.
- 3.2. Despite the perceived safety of the contract, the fluctuating/high cost of energy, negatively impacted the council's energy budget, with a cost per unit increase from 14p kWh to 50p kWh for the duration of the contract.
- 3.3. The Finance Officer identified that the contract had lapsed and that an unusually large electricity invoice for the parish office had been received. The Finance Officer is currently challenging this invoice with SSE.
- 3.4. As the contract with SSE had lapsed, the council was placed on the standard variable tariff of 56p per kWh. As this is linked to market activity, it has resulted in higher energy costs.

4. PROPOSED ACTIONS

- 4.1. That the Finance Officer investigate the cause of the large invoice and seek compensation if feasible.
- 4.2. That the Deputy Clerk be tasked to consult with suppliers, get quotes and recommend a suitable product based on the benchmarks listed at paragraph 2.2.
- 4.3. That the Deputy Clerk scrutinise the Council's current energy supply across all assets to ensure the following: -
 - That new tariffs are investigated, and contracts negotiated 2 months before current contracts expire, thus preventing contracts from lapsing and avoiding the extra costs of standard (variable) rate charges.
 - That a benchmark for how the council procures its energy going forward is established in line with our Climate Change Action Plan, our Corporate Plan and the Sustainable Procurement Policy (currently under development)
 - That a way to mitigate the rising costs of energy is implemented to reduce current electricity usage and to future-proof the parish office building against fluctuations in the energy market, as per the requirements of our Climate Change Plan.
 - That all gas and electricity meters be upgraded (when possible) to SMETS 2 (smart meter 2nd generation) ensuring that accurate meter readings are sent to the suppliers automatically.
- 4.4. That the Council observes Point 7 of the Government's 10-Point Plan for a Green Industrial Revolution: Greener Buildings, by making our buildings more energy efficient as we progress as a nation towards Net Zero.

PART ONE: ENERGY SUPPLIER FOR PARISH OFFICE

5. PROPOSED BENCHMARKS

5.1. Cost and Value for Money:

As the running costs of the council are supported by public money, it is important to always include cost and value for money as a benchmark when considering changing to a new supplier or tariff. This is especially important during the current energy and cost of living crisis. It is for this reason that only suppliers with a day rate of less than 30p/kWh have been shortlisted.

With the cost of energy likely to rise as winter approaches, it is imperative that the council secure an electricity contract.

5.2. Environmental Impact

To support the Council's pursuit of carbon neutrality in the shorter term and net zero by 2050, it is essential that our carbon emissions be reduced and the environmental impact of the production of our energy be considered.² For this reason, the Environmental Impact, including the Fuel Mix, CO₂ and Radioactive residue of the supplier's standard small business tariff has been included as a benchmark.

5.3. Customer Review and Ethical Status.

As per our Sustainability Policy and forthcoming Sustainable Procurement Policy, it is important to ensure that the suppliers the Council uses, have a company ethos that is ethical and socially responsible – it is for this reason that customer reviews and ethical status have been considered.

6. QUOTATIONS COMPARED

6.1. The table below shows a shortlist of 6 quotations with scores. Comprehensive benchmark data can be found at Appendix 1.

6.2. Scores in the table below for the Environmental Impact & Customer Review and Ethical Status benchmarks have been converted to a percentage, with 100% being the best and 0% the worst scoring.

² Scope 1 covers emissions from sources that an organisation owns or controls directly – for example from burning fuel in our fleet of vehicles (if they're not electrically powered) Scope 2 is emissions that a company causes indirectly and come from where the energy it purchases and uses is produced. For example, the emissions caused when generating the electricity that we use in our buildings would fall into this category. Scope 3 encompasses emissions that are not produced by the company itself and are not the result of activities from assets owned or controlled by them, but by those that it's indirectly responsible for up and down its value chain. An example of this is when we buy, use and dispose of products from suppliers. Scope 3 emissions include all sources not within the scope 1 and 2 boundaries (Source National Grid)

6.3. It is recommended that members choose Provider 1 due to its lower cost, and its high scores for Environment, Ethics and Customer Opinion.

Supplier	Cost & Value for money	Environmental Impact	Ethics and Customer Review
Provider 1	£6,460.33	100 %	87%
Provider 2	£6,482.90	38%	49%
Provider 3	£6,485.74	66%	n/a
Provider 4	£6,527.17	58%	56%
Provider 5	£6,599.66	38%	54%
Provider 6	£6,743.84	26%	70%

7. SMART METER INSTALLATION

(See page 9 of Appendix 1 for differences and benefits)

- 7.1. The buildings owned by the Parish Council have different meters installed. Depending on the site, these are either an Analogue meter or a SMETS 1 meter.
- 7.2. Historically energy usage at these sites has been largely based on estimated usage, not only does this mean that the usage is more likely to be billed inaccurately, but it also creates a level of complacency as bills are paid without scrutiny.
- 7.3. For accurate energy bills, all meters must be changed to the government-required SMETS 2 (Smart Metering Equipment Technical Specification 2nd Generation Smart meter) meters which will automatically send accurate meter readings to the current provider. Unfortunately, the Council is at the mercy of the energy suppliers regarding installation and is required to wait until they are available in the area.
- 7.4. SSE (Scottish & Southern Energy) provides most of the Council's electricity and gas and has been bought out by OVO Energy, so until the transition is complete, the Council is unable to upgrade the SMETS 1 (1st generation) meters and any analogue meters that are still in use, to the new SMETS 2 meters.
- 7.5. That said, British Gas fitted a new SMETS 2 meter at the Lapstone Sports Pavilion on 24 August as requested by officers.
- 7.6. It is essential that the Council creates a 'level playing field' when it comes to energy bills, so we can be confident that all bills will be accurate. To do this, it is imperative that, in the interim as meters are switched according to the Government and Energy Provider roll-out, accurate readings are taken and submitted as required to the appropriate supplier via their

online portal. The Operations Manager has been tasked with this.

8. FINANCIAL IMPLICATIONS

8.1. Refer to quotations in the table above.

8.2. If members choose Provider 1 then the Deputy Clerk will, under delegated authority from the Council, enter into a 1-year contract agreement with the provider, with a view to commencing the contract immediately.

PART TWO: SOLAR INSTALLATION

PHASE ONE:

9. INTRODUCTION

9.1. To ensure that the Council supports the pledge set out in its Corporate Plan and Climate Change Action Plan as well as ensuring that the running of the electric vehicles and handheld machinery remains cost-effective, the Deputy Clerk, at the request of the Clerk, has sought quotes to increase the solar supply to the Parish Office.

9.2. The current solar system produces on average 1,200 kWh per annum, which equates to approximately 3.3 kWh per day. Our current electricity usage is approximately 23,000 kWh per annum at 63 kWh per day. (See page 10 of Appendix 1 for annual usage from SSE)

9.3. As an example, 3.3 kWh of power per day would likely generate enough power to supply 3-4 desktop computers for a 24-hour period. Any unused electricity is transported to the national grid at the end of the day.

9.4. Extending the solar array to 5 kW (4 plus the existing 1 kW) will produce an average of 23kWh of electricity per day and 8,500kWh per year, adding energy storage in the form of lithium batteries will ensure that more of the energy is captured and used within the building.

10. QUOTATIONS COMPARED

10.1. Quotations received are outlined in the table below, but it is important to look at the make, efficiency and warranty of the solar panels, the size, capacity, and warranty of the hybrid inverter and the capacity and weight of the battery storage (especially if batteries are to be installed in a loft space).

10.2. You will find the quotations received outlined in the table below.

Provider 1	£ 8,650.00
Provider 2	£ 8,755.52
Provider 3	£ 9,900.00

10.3. The details on payback, power generation, and carbon savings for these installations are attached on Page 11 of Appendix 1.

10.4. The Smart Export Guarantee (SEG) has replaced the FIT (Feed in Tariff) for exported solar generation. Officers recommend that the Parish Office extend its solar generation to support its increased energy requirements, it is important to get the best rate for any excess solar that is generated and exported back to the grid. While SEG had been selected as a benchmark for this specific reason, as most suppliers will not disclose the appropriate SEG rate until the solar PV has been installed and a supply number is given, it could not be included in the benchmarks listed in paragraph 2.2.

10.5. For the Council to receive the SEG, the installer must be MCS (or equivalent i.e., Flexi-Orb) certified, with the current exception of Octopus Energy. Additionally, the solar installation must be kept separate from the existing installation to maintain the current FIT which is received annually.

10.6. Octopus has published its SEG at 4.1p per kWh exported to the grid to those not supplied by Octopus, considerably better rates are given to Octopus Customers.

PHASE TWO

11. INTRODUCTION

11.1. As electricity costs continue to rise and sunshine is effectively a 'free' source of energy, (once the solar PV installation has been paid for) it was prudent to examine the costs of future-proofing the parish office further by adding another 13kW of solar to the courtyard's outer roof, with the recommended additional battery storage.

11.2. The parish council building currently has a 1 kW solar array on the south-facing roof of the building. With the addition of the proposed 4 kW system and a further 13 kW of solar, the total amount would be 18 kW which would produce approximately 29 500 kWh of electricity

effectively making the building carbon negative.

- 11.3. Any additional power not used or saved, would be exported back to the grid earning the council an income from the electricity supplier under the Smart Export Guarantee Scheme.
- 11.4. Having free electricity during the Spring and Summer months (as well as some during the Autumn and Winter as explained in Appendix 1), would allow the Council to comfortably consider installing an air-source heat pump to replace the gas boiler system. It would also allow the council to continue to purchase electric fleet vehicles which could be charged on-site using solar to power the charging stations.
- 11.5. If members are minded to support the Phase 2 proposals, in order to ensure that the Council reduces its energy consumption and costs, the project timescales below are recommended: -

PHASE 2 SOLAR PV INSTALLATION AT PARISH OFFICE KEY PROCESSES	Start	Finish
The Finance Committee agree proposal in principle	4/9/23	4/9/23
Budget Task and Finish Group consider budget requests	20/10/23	20/10/23
Budget ratified at Full Council	18/12/23	18/12/23
If the budget request is successful, as per financial Regulations, quotations are sought	8/1/24	12/2/24
Supplier selected and appointed by FC	4/3/24	4/3/24
Funds allocated to Parish Council Solar Phase 2 Project	1/4/24	1/4/24

12. FINANCIAL IMPLICATIONS

Phase One:

- 12.1. Refer to the quotation list for the costings above. There are sufficient funds in the current budget Ear Marked Reserves to cover the cost of the Phase One Installation.
- 12.2. In addition to the FIT received on the 1kW system, the Smart Export Guarantee will provide a modest income on any surplus energy generated and exported back to the National Grid.
- 12.3. The general lifetime of solar panels is 25 years, but solar panels can operate at 90% of their efficiency for longer. It is likely however that the batteries and inverter will need to be replaced at least once during the lifetime of the panels, incurring an additional cost.

Phase Two:

- 12.4. Two quotations have been received for a 13kW installation for the outer roof of the

courtyard with an approximate cost for the Phase 2 installation (at today's prices) of £30,000.00.

12.5. Depending on 2024/25 budgetary commitments, funding this project could involve a rise in the precept, so it is recommended that Phase Two of the installation be funded either by:

- Allocating the necessary funds to the 2024/25 budget or;
- by 'saving' over the next year using an allocated EMR and including it in the Council's budget for 2025/26.

12.6. Although grant funding for this project may be limited as it is not a community building, Officers will continue to look for funding climate projects including phase 2 solar for the parish council building.

12.7. The payback and generation figures for a 13kW installation is illustrated on page 16 of Appendix 1.

13. CLIMATE/ENVIRONMENT & IMPLICATIONS

Electricity:

13.1 Environmental Impact benchmark for electricity suppliers has been introduced to this procurement process in line with the forthcoming Sustainable Procurement Policy. This benchmark will inform the Council on the environmental impact of their choice of supplier alongside the other benchmarks of Cost and Value for money, Customer Review and Ethical Status, allowing for a more sustainable decision, and the opportunity to reduce the Council's carbon footprint.

Solar:

13.2 Most solar PV and energy storage is produced in China and comes with an environmental debt due to the manufacturing process, sourcing of minerals and transporting to the UK. The carbon payback of a solar panel on average is 1.6 years (renewableenergyhub.co.uk).

13.3 However, solar panels come with environmental benefits as they reduce our reliance on fossil fuel-generated power which when burned releases CO₂ into the atmosphere (and other greenhouse gases such as carbon monoxide) To quote a researcher at the Energy Research Centre in the Netherlands *"PV electricity contributes 96% to 98% less greenhouse gases than electricity generated from 100% coal and 92% to 96% less greenhouse gases than the European electricity mix."* *"Compared with electricity from coal, PV electricity over its lifetime uses 86 to 89% less water, occupies or transforms over 80% less land, presents approximately 95% lower toxicity to humans, contributes 92 to 97% less to acid rain, and 97 to 98% less to marine eutrophication."*

14. CRIME & DISORDER IMPLICATIONS

14.1. None directly arising from this report.

15. EQUALITY & DIVERSITY IMPLICATIONS

- 15.1. Most of the world's solar panels are produced in China which would cause ethical concerns due to the possibility of the involvement of Uyghur coercive labour camps in the supply chain.
- 15.2. However, it could be argued that as the transition to renewable energy is essential to tackling global climate breakdown, these kinds of systemic issues cannot be addressed using consumer choice and require world government action to force sector-wide change.

16. CONCLUSION

- 16.1. Through its sustainability policy and climate change action plan, the council has committed to streamlining its business practices, lowering its carbon footprint by retrofitting and future-proofing its assets and ensuring that our suppliers are aligned with our own values.
- 16.2. The Council also has a responsibility to ensure that its running costs including energy supply are kept within reasonable limits.
- 16.3. It is for this reason that is recommended that we change energy suppliers to one with not only a lower tariff but one that is also environmentally & socially conscious; as well as acting swiftly to reduce our electricity usage and carbon footprint by installing renewable energy in the parish office.

FOR FURTHER INFORMATION CONTACT:

Michelle Leadbitter-Allen, Deputy Clerk
Email: deputyclerk@fairoak.gov.uk

The following resources were amongst those used to gather information for this report.

- The Ethical Consumer
- Electricityinfo.com
- Ofgem.gov.uk
- Which.co.uk
- Trustpilot
- Ovoenergy.com
- Yesenergysolutions.com
- Electricityplans.com
- Individual Energy Companies
- The Carbon Trust
- Energy Savings Trust
- .Gov.uk

Appendix 1

Benchmarks

1. Cost and Value for Money

**1.1 Quotations (based on an approximate annual consumption of 23 000 kWh and do not include Climate Change Levy or VAT).
Business Quotations are not affected by the Energy Price Guarantee but where applicable the [Energy Bills Discount Scheme](#) is included)**

All quotations are valid for 24 hours, so prices are out of date at the time of reading but give an evaluated indication of supplier pricing.

Below is a table showing the 7 cheapest quotations received in ascending order. (this has been further reduced in the report to 6)

Provider	Product	Day Rate /kWh	Estimated Quarterly/Standing Charge for the year	Estimate Cost Per Year	Broker/Direct Price
Octopus Energy	Renewable	26.78p	£300.93	£6,460.33	Direct
British Gas Lite	Zero Carbon	27.55p	£146.40	£6,482.90	Direct
Opus Energy	Mixed	27.26p	£215.94	£6,485.74	Bionic
SSE Energy Solutions	Mixed	28.379	£347.80	£6,527.17	Direct
British Gas	Zero-Carbon	27.83p	£168.76	£6,599.66	Fullpower
Utilita	Renewable	28.53p	£181.94	£6,743.84	Direct
Ecotricity	Renewable	26.963	£365.60	£7,180.50	Direct

2. Environmental Impact

2.1 Fuel Mix

Latest Standard Business Energy Disclosed Fuel Mix (2021-2022) Data are compared as a percentage in the table and graph below, including UK Average.

<i>Fuel Source Standard Energy Mix</i>	British Gas Fixed Energy	Ecotricity	SSE Energy Solutions	British Gas Lite Fixed Energy	Octopus	Utilita	Opus	UK Average
Coal	0%		0%	0%		9%	2%	4%
Gas	0%		0%	0%		74%	15%	39%
Nuclear	26%		54%	26%		7%	1%	17%
Renewable	74%	100%	46%	74%	100%	3%	80%	38%
Other	0%		0%	0%		7%	2%	2%

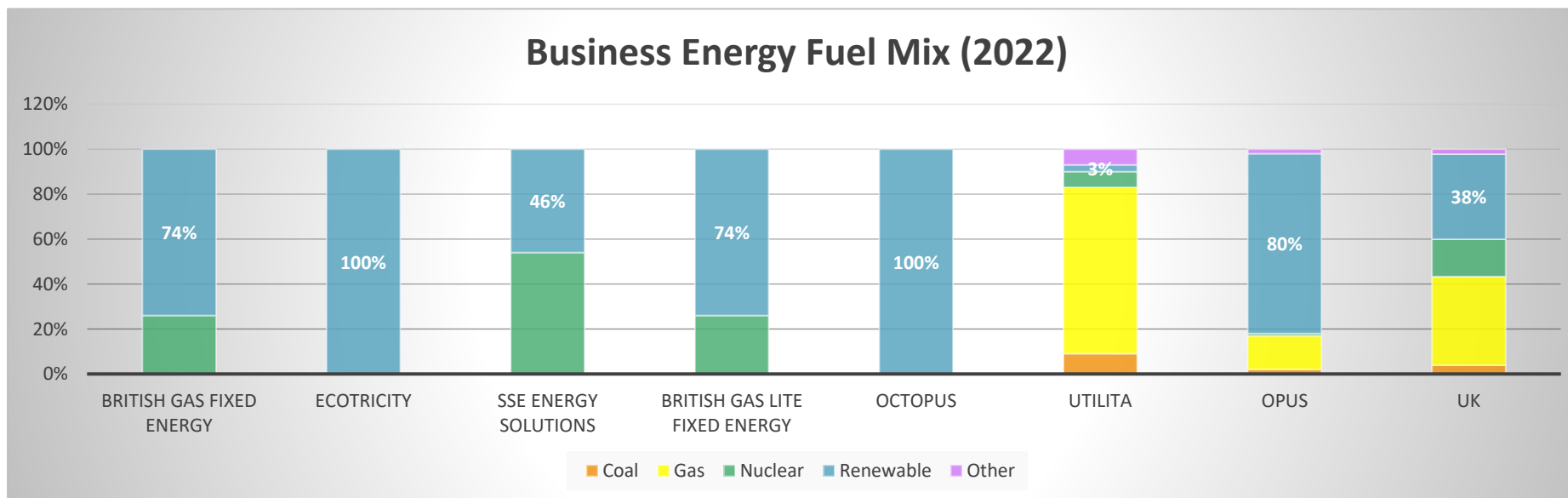


Figure 1 Disclosed SME Fuel Mix Data

The fuel mix is determined by the mix of energy purchased from wholesalers by the different suppliers.

Apart from off-grid installations like solar panels on buildings (not fed back into the grid), all the electricity generated by different sources around the country feeds into the National Grid which then powers our homes and businesses. This means that megawatts generated by a wind turbine get mixed up with those generated by a nuclear reactor or a coal power station.

If we cannot determine the fuel mix of our energy, why should we purchase renewable energy?

Although suppliers cannot control exactly where the power we use comes from, they can influence the makeup of the National Grid by what electricity they agree to buy and offer to their customers. For example, when the council uses 23,000 kWh of electricity per year, our supplier will need to ensure that it purchases an equal amount of power from the National Grid by ensuring it has the right deals in place with renewable generators to supply that amount of power to the grid.

This means that although the national grid is still a mix of energy from different sources, as more homes and businesses switch to renewable suppliers, more of the national grid will be renewable, which will help to decarbonise the electricity system and enable a lower carbon economy.

2.2 Carbon Emissions:

The disclosed carbon emissions for the standard business energy tariffs for 2021-2022 are compared below alongside the UK Average

<i>Environmental Impact</i>	British Gas	Ecotricity	SSE Energy Solutions	British Gas Lite	Octopus	Utilita	Opus	UK Average
Carbon Emissions	116	0	199	116	0	429	92	204

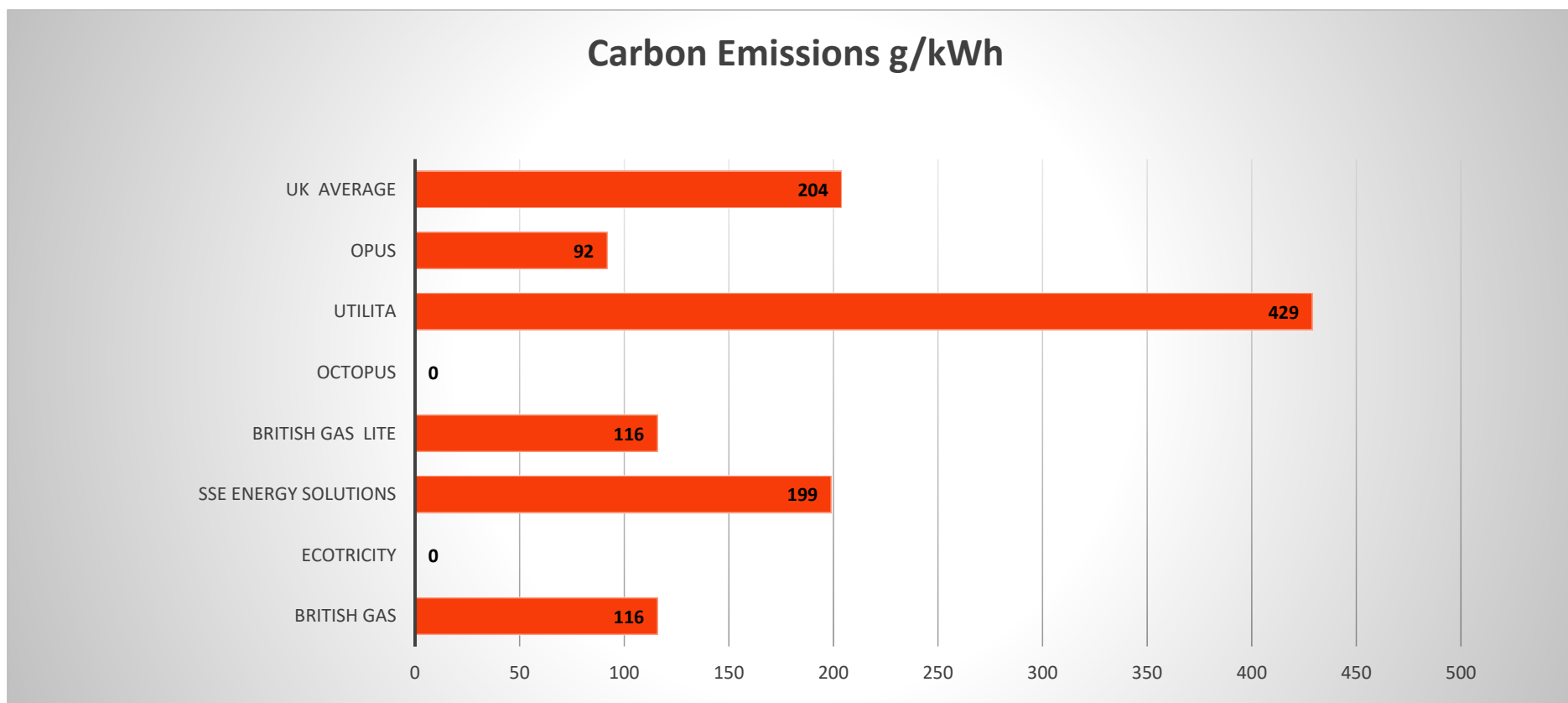


Figure 2 Disclosed Carbon Emissions per supplier in g/kWh

2.3 Radio-Active Waste Calculation

The disclosed radioactive waste production for the standard business energy tariffs for 2021-2022 are compared below alongside the UK Average. Figures recorded as g/kWh

<i>Environmental Impact</i>	British Gas	Ecotricity	SSE Energy Solutions	British Gas Lite	Octopus	Utilita	Opus	UK Average
Radioactive waste calculations	0.0019	0	0	0.0019	0	0.00049	0.00007	0.00113

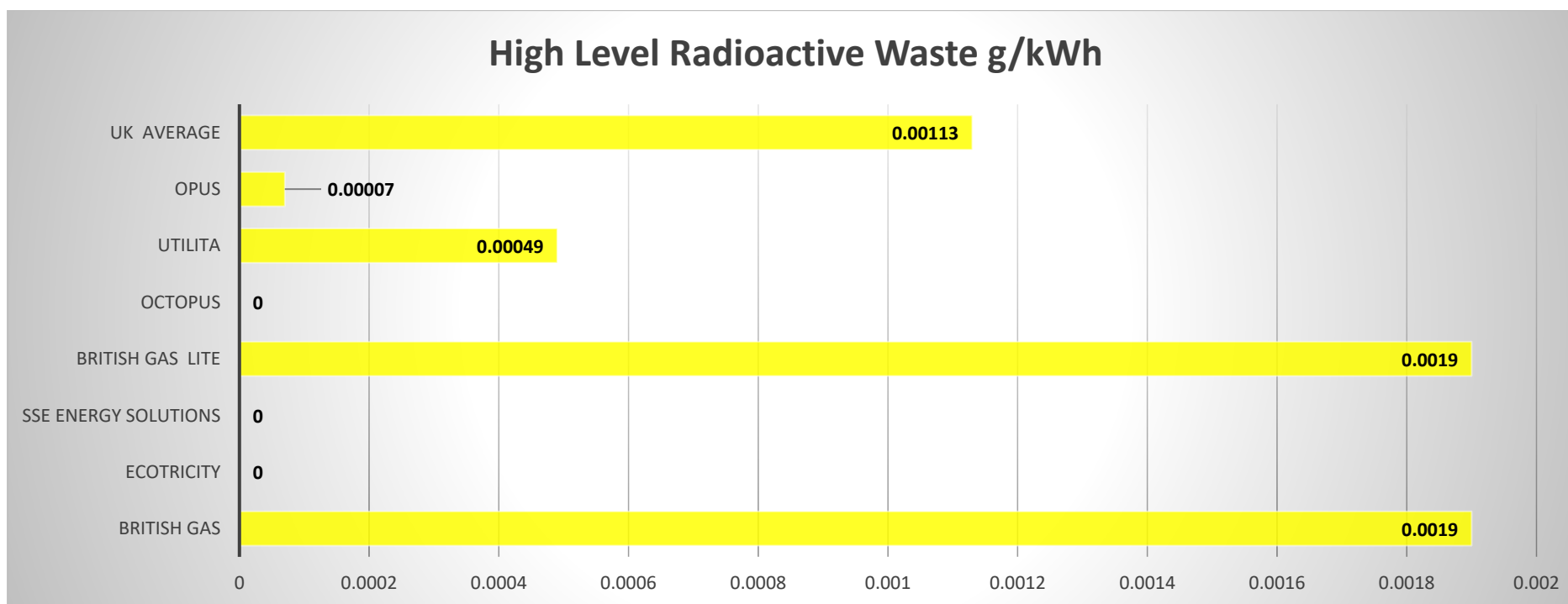


Figure 3 Disclosed High-Level Radioactive Waste g/kWh

To calculate the Environmental Impact Score we have concentrated on how much renewable energy is used, followed by the carbon emissions and radioactive waste created by the fuel mix disclosed. The renewable energy fuel mix is the percentage disclosed, and the carbon emissions and radioactive waste have been converted to a percentage with the worst polluters receiving the lowest score. The totals are used to represent the Environmental Impact Benchmark.

Environmental Impact Score	British Gas	Ecotricity	SSE Energy Solutions	British Gas Lite	Octopus	Utilita	Opus
Renewable Energy (Fuel Mix)	74%	100%	46%	74%	100%	3%	80%
Carbon Emissions g/kWh	39%	100%	28%	39%	100%	0%	21%
Radioactive waste g/kWh	0%	100%	100%	0%	100%	74%	96%
Total Percentage	38%	100%	58%	38%	100%	26%	66%

3. Customer and Ethical Status.

Below is a table with scores from Which? Magazine, The Ethical Consumer and Trust Pilot combining, customer reviews and company ethics. To determine the best overall supplier, each category has been calculated and reflected as a percentage. (Opus Information was not available, making the percentage calculation impossible, it has therefore been omitted from this table and cannot be counted as part of the Ethics and Customer Review Benchmark)

BRAND/SUPPLIER	WHICH?	ETHISCORE	EXCESSIVE DIRECTOR PAY	TRUST PILOT	TOTAL
Octopus	82	13	best	5	87%
British Gas Lite	68	8.5	middle	2.6	49%
Opus	n/a	n/a	n/a	4.4	n/a
SSE Energy Solutions (OVO)	76	10	middle	1.6	56%
British Gas	68	8.5	middle	3.7	54%
Utilita	75	11	middle	4.2	70%
Ecotricity	61	14.5	best	4	78%

3.1 Which:

Scored out of 100, Which? magazine results were compiled from an annual energy satisfaction survey of more than 10,000 customers covering 16 suppliers in the UK and a comprehensive assessment of firms' practices to determine which served their customers best during the energy crisis.

3.2 Ethiscore:

Sourced from Ethical Consumer Magazine the Ethiscore is scored out of 14 (additional points earned for company ethos and product sustainability to a maximum of 20) and covers the following categories; -

Environment	Environmental Reporting	Climate Change	Pollution & Toxics	Habitats & Resources	Palm Oil
Animals	Animal Testing	Factory Farming	Animal Rights		
People	Human Rights	Workers' Rights	Supply Chain Management	Irresponsible Marketing	Arms & Military Supply
Politics	Controversial Technologies	Boycott Call	Political Activity	Anti-social Finance	Tax Conduct

3.3 Excessive Director Pay

Sourced from Ethical Consumer Magazine, the excessive director pay status is calculated using the highest-paid director of the energy company during the 2021/2022 financial year. Companies were marked down if the director received more than £1 million pounds in total annual remuneration.

3.4 Trustpilot

Trustpilot scores out of a possible high of 5 stars and is based on customer experiences with energy companies in the UK.

Smart Meters Explained

SMETS is the acronym for Smart Metering Equipment Technical Specifications. The number afterwards shows which “generation” your meter belongs to. Second-generation (SMETS2) meters are the current industry standard.

SMETS1 smart meters

SMETS1 meters were the first generation and were installed by energy suppliers in 2013. They used a 3G SIM card to update the supplier at set intervals. However, switching suppliers often caused these meters to stop sending automatic readings.

SMETS2 smart meters

SMETS 2 smart meters are cross-compatible with other SMETS2-ready energy suppliers. The software used in these smart meters can exchange and make use of information from other SMETS2 meters. This means that switching suppliers will not require a meter exchange and the smart meter features will be retained.

Currently, there are no SMETS 3 meters, however, there are different types of SMETS 2 meters, one of which is a 3-phase SMETS 2 meter. This is a smart meter reserved for ‘heavy load’ energy users. These can include homes and businesses that have solar panels, battery storage and an EV charger (s).

It is possible that the parish office and Woodland Community Centre may require an upgrade to this smart meter when solar PV is installed.

SMETS2 smart meter benefits

- Free installation
- Meter readings are sent automatically, ensuring bills are accurate.
- The highest standard of security for your data
- See how much energy you’re using (in real-time, while you’re using it), either online or via your In-House Display (IHD)
- See how much energy different appliances use, and how much they cost, which could help cut down on spending.
- Ability to switch to other suppliers without changing meters.

Parish Office Electricity Usage (June 2022 – June 2023)

Customer Account	Bill Date	Meter Number	Previous Reading	Current Reading	Usage in kWh
CA5027856416	01 June 2022	K14C08685	41737	49687	7950
CA5027856416	26 August 2022	22M0207397	0	206	206
CA5027856416	26 August 2022	K14C08685	49687	50763	1076
CA5027856416	29 November 2022	22M0207397	206	2312	2106
CA5027856416	08 March 2023	22M0207397	206	1761	1555
CA5027856416	08 March 2023	22M0207397	1761	3089	1328
CA5027856416	08 March 2023	22M0207397	-206	-2312	-2106
CA5027856416	05 June 2023	22M0207397	3089		8616
CA5027856416	05 June 2023	22M0207397		14041	2336
Annual Total					23067

Solar PV

1. Planning Permission

Planning permission is not required for this solar panel installation as regulations introduced in April 2015 deem most non-domestic solar installations below 1 MW as permitted development, provided:-

- panels are kept **below 200mm perpendicular protrusion** from the plane of the roof or wall (pitched and wall installations);
- panels are **at least 1m from the external edges of the building** (pitched and flat roof installations);
- panels **protrude less than 1m** from the roof surface and cannot be the highest part, excluding the chimney (flat roof installations);
- a **ground-mounted array is no more than 9m²**, no more than 3m in any one direction, and no higher than 4m.

2. Generation and Cost Savings

Phase 1 – 4kW Solar system with battery storage

Below is a table for each supplier with the expected (average) generation of each installation over the next 25 years. (25 years is the listed average lifespan of a solar installation). The calculations are based on the size of the installation, the efficiency of the panels and the average sun hours per day in the UK, multiplied by the number of days in a year.

The tables account for an average drop-off in performance of 0.5% per year, they also show the amount saved based on the cost of a unit of electricity of 30p per kilowatt hour. The calculation figure is 30p as this is the cut-off figure used in the cost benchmark for the proposed electricity supplier. I have not accounted for inflation at this point as the inflation rate is too volatile to predict long-term – however as inflation rises, so will the price of electricity, which will bring the payback of the system closer and increase the savings made.

The carbon savings have been calculated using the disclosed UK average carbon emissions figure of 204g/kWh of electricity produced.

OPTION 1

The extra efficiency of the panels used in Option 1 is reflected by the increase in annual production over Option 2 and 3. The calculations below are based on 4 hours of peak production as per the UK daily average. (UK.renogy.com)

Generation:	kWh	Amount Saved (30p/kWh)	Payback	Carbon Savings
Year 1	6991	£2,097.27		1426.14
Year 2	6956	£2,086.78		1419.01
Year 3	6921	£2,076.35	£6,260.39	1411.91
Year 4	6887	£2,065.96	£8,326.35	1404.86
Year 5	6852	£2,055.63	£10,381.99	1397.83
Year 6	6818	£2,045.36		1390.84
Year 7	6784	£2,035.13		1383.89
Year 8	6750	£2,024.95		1376.97
Year 9	6716	£2,014.83		1370.08
Year 10	6683	£2,004.75		1363.23
Year 11	6649	£1,994.73		1356.42
Year 12	6616	£1,984.76		1349.63
Year 13	6583	£1,974.83		1342.89
Year 14	6550	£1,964.96		1336.17
Year 15	6517	£1,955.13		1329.49
Year 16	6485	£1,945.36		1322.84
Year 17	6452	£1,935.63		1316.23
Year 18	6420	£1,925.95		1309.65
Year 19	6388	£1,916.32		1303.10
Year 20	6356	£1,906.74		1296.58
Year 21	6324	£1,897.21		1290.10
Year 22	6292	£1,887.72		1283.65
Year 23	6261	£1,878.28		1277.23
Year 24	6230	£1,868.89		1270.85
Year 25	6198	£1,859.55		1264.49
	164677	£49,403.08		33594

OPTION 2				
	kWh	Amount Saved (30p/kWh)	Payback	Carbon Savings
Year 1	6063	£1,818.95		1236.88
Year 2	6033	£1,809.85		1230.70
Year 3	6003	£1,800.80	£5,429.60	1224.54
Year 4	5973	£1,791.80	£7,221.39	1218.42
Year 5	5943	£1,782.84	£9,004.23	1212.33
Year 6	5913	£1,773.92	£10,778.16	1206.27
Year 7	5884	£1,765.05		1200.24
Year 8	5854	£1,756.23		1194.24
Year 9	5825	£1,747.45		1188.26
Year 10	5796	£1,738.71		1182.32
Year 11	5767	£1,730.02		1176.41
Year 12	5738	£1,721.37		1170.53
Year 13	5709	£1,712.76		1164.68
Year 14	5681	£1,704.20		1158.85
Year 15	5652	£1,695.68		1153.06
Year 16	5624	£1,687.20		1147.29
Year 17	5596	£1,678.76		1141.56
Year 18	5568	£1,670.37		1135.85
Year 19	5540	£1,662.02		1130.17
Year 20	5512	£1,653.71		1124.52
Year 21	5485	£1,645.44		1118.90
Year 22	5457	£1,637.21		1113.30
Year 23	5430	£1,629.02		1107.74
Year 24	5403	£1,620.88		1102.20
Year 25	5376	£1,612.77		1096.69
	142823	£42,846.98		29136

OPTION 3				
	KWh	Amount Saved (30p/kWh)	Payback	Carbon Savings
Year 1	5990	£1,797.03		1221.98
Year 2	5960	£1,788.04		1215.87
Year 3	5930	£1,779.10	£5,364.18	1209.79
Year 4	5901	£1,770.21	£7,134.39	1203.74
Year 5	5871	£1,761.36	£8,895.75	1197.72
Year 6	5842	£1,752.55	£10,648.30	1191.73
Year 7	5813	£1,743.79		1185.78
Year 8	5784	£1,735.07		1179.85
Year 9	5755	£1,726.39		1173.95
Year 10	5726	£1,717.76		1168.08
Year 11	5697	£1,709.17		1162.24
Year 12	5669	£1,700.63		1156.43
Year 13	5640	£1,692.12		1150.64
Year 14	5612	£1,683.66		1144.89
Year 15	5584	£1,675.25		1139.17
Year 16	5556	£1,666.87		1133.47
Year 17	5528	£1,658.53		1127.80
Year 18	5501	£1,650.24		1122.16
Year 19	5473	£1,641.99		1116.55
Year 20	5446	£1,633.78		1110.97
Year 21	5419	£1,625.61		1105.42
Year 22	5392	£1,617.48		1099.89
Year 23	5365	£1,609.40		1094.39
Year 24	5338	£1,601.35		1088.92
Year 25	5311	£1,593.34		1083.47
	141103	£42,330.75		28785

3. Solar Panel Efficiency

How efficient is a solar panel on a cloudy day?

Solar panels can still generate electricity when it's cloudy in the UK. On average, solar panels will generate 10 to 25 % of their normal power output on days when the weather is cloudy.

Which solar panels are better for shade and bad weather?

Monocrystalline solar panels tend to be more efficient in cloud or shade as they are made from higher-quality silicon.

Do solar panels work in the rain?

As with cloud cover, solar panels will still work in the rain, but it all depends on how much sunlight can penetrate the clouds.

A little rain could be of benefit to wash away dirt and grime buildup that could be detrimental to the panel efficiency. Furthermore, there is a phenomenon known as the edge-of-cloud effect which is where you may see a spike in irradiance as passing cloud cover focuses more sunlight onto your solar panels, essentially magnifying it.

When do solar panels work best?

Between spring and summer is when solar panels peak in output.

Can solar panels work at night?

No. Without the sun, there are no photons, and without photons, no solar energy can be produced - although they do 'wake up' early and 'go to bed' late by design.

13kW System

The calculation below is based on using a highly efficient panel at 4 hours of peak production as per the UK daily average. (UK.renogy.com)

Generation:	Kwh	Amount Saved (30p/kWh)	Payback	Carbon Savings (kgs)
Year 1	20892	£6,267.69		4262
Year 2	20788	£6,236.35		4241
Year 3	20684	£6,205.17	£18,709.21	4220
Year 4	20580	£6,174.14	£24,883.36	4198
Year 5	20478	£6,143.27	£31,026.63	4177
Year 6	20375	£6,112.56		4157
Year 7	20273	£6,081.99		4136
Year 8	20172	£6,051.58		4115
Year 9	20071	£6,021.33		4095
Year 10	19971	£5,991.22		4074
Year 11	19871	£5,961.26		4054
Year 12	19772	£5,931.46		4033
Year 13	19673	£5,901.80		4013
Year 14	19574	£5,872.29		3993
Year 15	19476	£5,842.93		3973
Year 16	19379	£5,813.71		3953
Year 17	19282	£5,784.65		3934
Year 18	19186	£5,755.72		3914
Year 19	19090	£5,726.94		3894
Year 20	18994	£5,698.31		3875
Year 21	18899	£5,669.82		3855
Year 22	18805	£5,641.47		3836
Year 23	18711	£5,613.26		3817
Year 24	18617	£5,585.20		3798
Year 25	18524	£5,557.27		3779
Total	492138	£147,641.40		100396

FINANCE COMMITTEE – WORK PROGRAMME (2023/24)

D

ITEM	OBJECTIVE	METHOD	LEAD OFFICER
4 DECEMBER 2023			
Budget 2024/25 (including Budget T&F recommendations)	To review the draft budget prior to being submitted for final approval by Full Council	Report	Mel Stephens/Joanne Cahill
Grant Applications	To review applications received during the application deadline	Report	Mel Stephens
Review of Café project budget	To undertake a review of the café project budget	Report	Mel Stephens/Joanne Cahill
Budget Task & Finish Group will meet on 23 October and 27 November 2023			
4 MARCH 2024			
Finance Monitoring Report	To receive an update from the RFO including EOY progress.	Report	Mel Stephens/Joanne Cahill
Allocation of Capital Reserves	To agree allocation of capital reserves.	Report	Mel Stephens
Investment Strategy	To review the Strategy	Report	Mel Stephens/Joanne Cahill
Business Continuity Plan	To review the plan.	Report	Mel Stephens/Michelle Leadbitter-Allen

ELECTRICITY ACTION PLAN

Utility	Problem	Action	Officer	RAG	Notes
Electricity	Large Bill received	Check with provider as it appears that we were not charged for period 26 August - 25 November. If this is the case then they need to charge at the in contract rate for that period 14.06p per kWh and not 50.29p per kWh as charged.	Jo	AMBER	26 Aug - 1st Nov has been charged.
Electricity	Discrepancy with historic meter readings	Email sent to SSE requesting an investigation with refunds.		AMBER	Fault found at Horton Heath - awaiting response to email sent to SSE
Electricity & Gas	Contracts lapsing unnoticed	Create a document with the contract details for all contracts and make sure that contracts are renewed or changed to new providers before contract expires thus avoiding Variable Rate Costs	Michelle	GREEN	Completed
Electricity	Lapsed Parish Office Contract	New Quotes for Parish Council Office	Michelle	GREEN	Quotes received - Finance Committee to appoint supplier
Electricity	Lapsed Parish Office Contract	New fixed rate tariff from existing supplier	Jo	GREEN	New 3 year tariff received from broker - waiting for 1 & 2 year
Electricity	Energy Regeneration	Parish Office	Michelle	AMBER	2 of 3 quotations received - report to follow once all 3 received. Finance Committee to select supplier
Electricity	Energy Regeneration	Woodland Community Centre	Michelle	AMBER	Application for EER funding successful - awaiting bank transfer from HCC in order for EER to be completed. If EER shows refit is possible then solar funding will be requested via PTC.
Electricity	Energy Regeneration	Community Library	Michelle	AMBER	Will regroup on this when roof refit is investigated
Electricity	Energy Regeneration	Community Café	Michelle	AMBER	Will relook at this once community café is complete.
Electricity	Pay by Direct Debit	Change all accounts to direct debit where not already done so to avoid extra charges and take advantage of potential discounts for DD's	Jo	GREEN	Completed - all accounts are on direct debit.
Electricity & Gas	to contact providers b	Create online accounts for all electricity and gas providers for easy maintenance of accounts ensure all address are correct	Michelle	GREEN	completed - all accounts are online
Electricity	Estimate Bills Received	Accurate meter readings to be given to Jo for submission on a monthly basis or submit directly to providers	Martin	AMBER	August Meter readings for all properties submitted except parish office gas - waiting to SSE to add this to the online portal - MJ and MLA
Electricity	Estimate Bills Received	Insert Smart Meters at all properties (where not already installed)	Martin	AMBER	Smart Meter at Sports Pavilion installed by British Gas for Pavilion Electricity - SSE is transitioning to OVO - meter installation will not progress until transition is complete. British Gas meter at HHCC has been requested - awaiting response.
Electricity	VAT not consistent	Check with Provider	Jo	GREEN	Completed - SSE have adjusted and applied a credit of £101 on Horton Heath electricity