



OPENNESS AND TRANSPARENCY REGULATIONS 2014

RECORD OF OFFICER DECISION TAKEN UNDER DELEGATED POWERS

TITLE OF OFFICER TAKING DECISION	Town clerk in consultation with Grants and Finance Sub Committee (further resolved to consult Full Council)
NATURE OF DECISION	To appoint Energy supplier for Town Council facilities
DATE ON WHICH DECISION TAKEN	20 August 2019
REASONS FOR DECISION	West Mercia appointed as Energy Supplier for all Town Council facilities - 3 year contract as they provided the best quote for green energy.
DETAILS OF ANY ALTERNATIVE OPTIONS CONSIDERED AND REJECTED	<p>Renewal opportunity to supply gas and electric to Town Council properties was advertised on contract finder.</p> <p>Tenders were sought for green and brown energy. 6 tenders were received and considered against each other for the supply of either green and brown energy.</p>

Yate Town Council Gas and Electric to Town Council Properties Tender Opportunity July 2019

TENDER

Yate Town Council reaches the end of a 3-year agreement with the current gas and electric provider, West Mercia Energy, in March 2020. We have sought tenders early in the process to enable a run on contract should we renew with current provider, this will ensure us a better rate than if we gave notice and then reengaged with them.

An invitation to tender for the renewal opportunity was placed on contract finder. Quotes for brown and green energy were sought. Quotations of this nature are subject to market fluctuations as at the supply start date.

Tenders were received from the following

- Bristol Energy
- Cost Advice Energy Specialists
- Energy Owl
- West Mercia
- UtiliSearch
- Connect U Ltd

Only two of the tenders supplied full quotes for both brown and green energy

- Cost Advice Energy Specialists
- West Mercia

CURRENT COSTS

In the 2018/2019 Financial Year the cost to the council across all facilities for gas and electricity was as follows

- Electricity = £15,335 pa
- Gas = £7,885 pa
- Total = £23,220 pa

Analysis of the indicative quotes provided suggest that the cost to the council for gas and electric will increase by at least 23% for a like for like renewal or approximately 32% for green energy when we renew in March 2020. (Appendix 1)

West Mercia and Bristol Energy have provided the best indicative quotations for both green and brown energy. West Mercia are the council's current provider and when we switched to them 3 years ago the Town Council did see energy costs reduce. They still appear to be very competitive in the market place. The customer service provided is very good and billing is efficient and easy to understand which saves the council money and staff time.

SYNOPSIS OF ADDITIONAL INFORMATION PROVIDED WITH TENDERS

Brief synopsis of additional information provided with Tenders:

Name of company	Additional Information
Bristol Energy	<p>Owned by Bristol City Council.</p> <p>Our overall standard fuel mix is made up of 53% green energy from renewable sources, so we're still more sustainable than some current suppliers. (This figure will increase to between 75% and 80% during October 2019 when we are anticipating receipt of our official certifications).</p> <p>We have not been able to quote on our 100% green electricity or our 15% or 100% green gas prices apart for the Armadillo which is on a half hourly meter for electricity. This is because we can only provide green energy quotes 6 months in advance of supply start date. We did go back to them and ask for an quote for comparison only but they said they were unable to do this but we should keep in mind that their current strategy is to make their standard tariff 100% green by October and therefore the costs would be similar but would include an uplift – and of course subject to market fluctuations.</p>
Cost Advice Energy Specialist	<p>Provided quotes only with a business card but no other information. Favouring British Gas for most supplies.</p>
Energy Owl Utilities Ltd	<p>An independent energy consultancy. Only able to quote brown power as green tariffs not available for every property in this type of tender.</p>
West Mercia	<p>This is the current provider. Publicly owned by four local authorities, Shropshire Council, Telford & Wrekin Council, Herefordshire Council and Worcestershire Council, WME focuses solely on energy and associated services for the public sector. WME are a Public Buying Organisation who specialise in energy procurement and management for the public sector. WME currently supply to 11 Local Authorities, numerous Town and District Councils, Blue Light Services and the NHS. This includes currently holding the corporate contracts with South Gloucestershire, Gloucestershire, Wiltshire and Swindon Councils. All of these opt for flexible energy purchasing as this minimises the risks associated with energy procurement. They have confirmed their green energy quote is for 100% green energy.</p>
UtiliSearch	<p>Did not provide a green quote or reference green energy in their covering letter.</p>
Connect U Ltd	<p>Independent energy broker who provided quote based on British Gas - gas and electricity. Provided the most expensive quote.</p>

RECOMMENDATION

As West Mercia specialise in energy procurement and management for the public sector, have quoted competitively for both brown types of energy and have provided a good service for 3 years, officers would be happy to remain with them.

NEXT STEP

Members to select the preferred supplier and type of supply.

Indicative quotes for Gas and Electricity following the 2019 Tender Opportunity

Appendix 1

	Green Electric	Green Gas	CCL estimate where not included in quote	Total pa low to high
What YTC paid in 2018/2019 based on brown energy - for comparison purposes	£ 15,335.00	£ 7,885.00		£ 23,220.00
Quotes				
Bristol energy	£5,592.79 Armadillo only		£ 199.76	£ 5,792.55
West Mercia Flexi	£ 18,815.00	£ 11,792.00		£ 30,607.00
West Mercia Fixed	£ 19,010.00	£ 11,689.00		£ 30,699.00
Cost Advice energy specialist	£ 23,169.01	£ 11,860.46		£ 35,029.47
British Gas				
Energy Owl				
Utilities Search				

	Brown Electric	Brown Gas	CCL estimate where not included in quote	Total pa low to high
What YTC paid in 2018/2019 based on brown energy - for comparison purposes	£ 15,335.00	£ 7,885.00		£ 23,220.00
Quotes				
Bristol energy	£ 18,522.68	£ 9,211.59	752.79	£ 28,487.06
West Mercia Flexi	£ 18,738.00	£ 9,825.00		£ 28,563.00
West Mercia Fixed	£ 18,940.00	£ 9,691.00		£ 28,631.00
Energy Owl	£ 19,114.95	£ 10,782.60	752.79	£ 30,650.34
Cost Advice energy specialist	£ 23,395.07	£ 9,385.07		£ 32,780.14
Connect U Ltd	£ 23,522.74	£ 12,967.12		£ 36,489.86
Utilities Search	£ 23,010.40	£ 22,385.25		£ 45,395.65

Notes for consideration

Bristol energy advise they can only provide a quote for green electric energy at the Armadillo at this time as the facility is on a half hourly meter.

For comparison West Mercia quoted £5,793 per annum on their flexi price plan for the same supply.

Energy Owl did not provide a quote for Poole Court Gas however based on their other figures it is most likely to be in the region of £4k and this has been included for a truer figure

CCL

Supplies of both gas and electric at Armadillo and Poole Court are subject to CCL charge. Where providers have advised they have not included this charge in their quote we have estimated the charge in line with the current West Mercia charge. West Mercia have included the charge in their quotes based on the current charge.

Green energy

Based on the quotes switching to green energy based on the most comprehensive quote provided by West Mercia would be more expensive by approximately £2,120 per annum for the combined supply than the cheapest brown quote