

**TAVISTOCK TOWN COUNCIL
BUDGET AND POLICY COMMITTEE
TUESDAY 24th JANUARY 2023
BRIEFING NOTE
ENERGY CONSUMPTION**

1. BACKGROUND

- 1.1 The Committee will recall agreeing that measures be introduced to mitigate and manage energy costs, with particular regard to the unscheduled pressures arising from the Ukraine conflict and the contemporaneous retendering of Council contracts.

2. THE CURRENT SITUATION

- 2.1 General – all Managers have been tasked with looking at ways in which energy consumption can be better managed. In the immediate term this principally has been through demand management. For example turning equipment on later in the day/season, restricting/rescheduling operating hours, increased use of targeted zoning, precluding certain uses etc.
- 2.2 An engineer has also reviewed all main building heating systems and their recommendations as to efficiency and consumption have been adopted.
- 2.3 It should be noted there has been an added benefit from mild weather which means most (heating) systems did not come into routine operation until early/mid November. However, a consequence is that consumption figures to date are necessarily unrepresentative (November not being a full month, and December having an uncharacteristically cold snap).
- 2.4 Whilst invoices have not been received for the whole of the period to date, meter readings suggest that, in the round consumption is mainly within the limits which have been set. Whilst the position will become clearer over the next two months that provides some reassurance as to overall cost envelope.
- 2.5 On a related matter attention is drawn to the figures which will be shown in the phased budget report that will be submitted to Council shortly for electricity. More specifically there is currently

a substantial invoice for electricity in relation to the Guildhall which is being queried with the previous supplier. On first impressions it appears that it results from prior misbilling's and credit notes by the former supplier, resulting in an invoice extending into the last financial year. It should be noted that, as this relates to the early period of operation of the premises, this may mean that the budgeting assumptions made for the premises next year (2023-24) prove inaccurate.

3. CONCLUSION

- 3.1 With the assistance of mild weather and the goodwill of staff and stakeholders (most especially Pannier Market traders), meter readings currently suggest winter energy costs to date are within target. These will be kept under review going forward and, as invoices are received, reconciled against spend incurred with further reporting in due course.
- 3.2 However, it is important to note that:
- weather can play a large part;
 - Government support for businesses (changing in April) plays an appreciable role for electricity (in rough terms TTC's fixed contract rate is iro 41p per unit, the support scheme reduces that to 21p per unit);
 - The continuing commitment of staff and stakeholders is pivotal;
 - Whatever happens to energy prices internationally (ie should they fall substantially), the Councils energy contracts (which are at fixed prices) have 18 months and 30 months to run respectively. Consequently no saving against unit cost of gas or electric is anticipated during that time absent Government subsidy.

**CARL HEARN
TOWN CLERK
JANUARY 2023
TAVISTOCK TOWN COUNCIL**