

ENERGY BUDGET END OF YEAR REPORT 2001/2002

Abstract

This report presents the 2001/2002 end of year status of expenditure on the individual Council heating fuel and electricity budgets for non-housing properties.

RECOMMENDATION

The Personnel and Property Services Committee is recommended to note the contents of this report.

1 INTRODUCTION

The Property Services department currently manages the fuel contracts for all non-housing properties within Angus Council and maintains an overview, in conjunction with the Finance department, of the rate of expenditure on the associated budgets.

The invoices for fuel expended on individual Council properties are monitored and the pattern of expenditure compared with profiles for preceding years with adjustment made for differences resulting from variations in weather.

2 STATUS

The expenditure status, as at 31 March 2002 is detailed in Table 1.

These figures reflect only the payments made against presented invoices and do not make allowance for consumption for which an invoice has yet to be received.

Table 1 Overall Expenditure

	Electricity	Gas	Oil	Centralised Energy	Total
Budget	£1,109,000	£463,000	£121,000	£10,000	£1,703,000
Expenditure to 31/03/02	£1,224,846	£446,190	£90,770	£8,024	£1,769,830
% of Budget Committed 31/03/02	110%	96%	75%	80%	104%
% of Budget Committed 31/03/01	78%	89%	197%	121%	89%

Notes:-

1. The Council suffered from late and inaccurate billing for electricity for most of the financial year 2000/01 resulting in the deferment of bills into 2001/02.
2. The final position for 2001/02 reflects, for the first time, expenditure on a full accruals basis for all properties and departments. As a consequence expenditure is shown higher than usual but carry-over into 2002/03 will be reduced and the expenditure pattern will level to previous performance levels.
3. Expenditure on oil is below budget due to market forces.

The above figures do not include any allowance for the operation of the Devolved School Management scheme whereby savings achieved by individual schools on their allocated fuel budgets can be carried over into the next financial year or expended in the current financial year but not necessarily on energy.

The Council will be entering into new contracts for the supply of electricity and gas which will become operational from March 2003. It is currently common practice that gas contracts are only for periods up to 18 months due to market forces causing significant fluctuations in prices which suppliers have to accommodate.

Table 2 Fuel Profile

	Electricity	Gas	Oil	Centralised Energy	Total
Budget	£1,109,000	£463,000	£121,000	£10,000	£1,703,000
Expenditure to 31/03/02	£1,224,846	£446,190	£90,770	£8,024	£1,769,830
% of Budget Committed 31/03/02	110%	96%	75%	80%	104%
% of Budget Committed 31/03/01	78%	89%	197%	121%	89%

Notes:-

1. The Council suffered from late and inaccurate billing for electricity for most of the financial year 2000/01 resulting in the deferment of bills into 2001/02.
2. The final position for 2001/02 reflects, for the first time, expenditure on a full accruals basis for all properties and departments. As a consequence expenditure is shown higher than usual but carry-over into 2002/03 will be reduced and the expenditure pattern will stabilise to previous performance levels.
3. Expenditure on oil is below budget due to market forces.

See Appendix 1 for a breakdown of Table 1.

3 FINANCIAL IMPLICATIONS

There are no financial implications at this time.

4 HUMAN RIGHTS IMPLICATIONS

There are no Human Rights Act implications specific to this report.

Any implications, as a consequence of discharging recommendations detailed in this report, will be managed in accordance with the standing procedures and processes established by the Property Services department.

5 CONSULTATION

The Chief Executive, the Director of Law & Administration and the Director of Finance have been consulted in the preparation of this report.

REFERENCES

<u>Committee</u>	<u>Date</u>	<u>Report No</u>	<u>Subject</u>
-	-	-	2001/2002 Final Revenue and Capital Budget Documents

APPENDICES

Appendix 1 Energy Costs 2001/02 as at:- 31 March 2002.

BACKGROUND PAPERS

No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing the above report.

M G Lunny
Director of Property Services

APPENDIX 1 ENERGY COSTS 2001/02 AS AT:- 31 MARCH 2002.

Department	Electricity	Gas	Oil	Total spend to date	Budget	% of Budget Spent
Centralised Energy				£8,024	£ 10,000	80%
Education	£ 608,316	£ 235,171	£ 68,172	£911,659	£900,000	101%
Social Work	£ 160,241	£ 40,575	£ 16,913	£217,729	£212,000	103%
Roads	£ 2,116	£ -	£ -	£2,116	£1,000	212%
Cultural Services	£ 39,870	£ 37,937	£ -	£77,807	£85,000	92%
Environmental & Consumer Protection	£ 6,830	£ 63	£ -	£6,893	£15,000	46%
Recreation Services (Leisure & Parks)	£ 19,858	£ -	£ -	£19,858	£18,000	110%
Planning	-£ 413	£ -	£ -	-£413	£2,000	-21%
Economic Development	£ 7,548	£ 813	£ -	£8,361	£12,000	70%
Personnel	£ 2,688	£ 228	£ -	£2,916	£7,000	42%
Finance Revenues	£ 14,665	£ 5,010	£ -	£19,675	£20,000	98%
HO Buildings	£ 94,746	£ 25,426	£ 5,685	£125,857	£115,000	109%
Local Offices	£ 30,556	£ 6,285	£ -	£36,841	£23,000	160%
Registrars	£ 2,994	£ 551	£ -	£3,545	£5,000	71%
Contract Services	£ 234,634	£ 94,131	£ -	£328,765	£272,000	121%
Miscellaneous	£ 197	£ -	£ -	£197	£2,000	10%
Common Good	£ -	£ -	£ -	£0	£1,000	0%
Careers Service	£ -	£ -	£ -	£0	£3,000	0%
Total	£1,224,846	£446,190	£90,770	£1,769,830	£1,703,000	104%
Housing	-£31,036	£60,831	£10,273	£40,068		
Total (incl Housing)	£1,193,810	£507,021	£101,043	£1,809,898		

Notes:-

1. Electricity bills deferred from 2000/01 due to electrical supply contractor billing difficulties.
2. Increase in expenditure at a number of Sports and Leisure Centres and various direct charges to the energy budget. Being investigated.
3. Higher than forecast expenditure at St. James House which is probably due to the loss of the beneficial tariff achieved through Don & Low's bulk purchasing.
4. In part due to electricity bills deferred from 2000/01 due to electrical supply contractor billing difficulties. This property has been subject to irregular billing.