

Financial Comments – Creation of Energy Monitoring Officer and Behaviour Change Officer Posts

The full year cost of creating an Energy Monitoring Officer and a Behaviour Change Officer post is £0.051m per annum. It is proposed that this is funded from savings in utility bills generated by the activity of the post holders.

The Council utility budget for 2016/17 is £6.963m of which £1.306m is funded from external sources or included within pooled budgets, this leaves a total of £5.657m against which savings can be made. The required saving to fund these posts is equivalent to 0.9% of the available utility budgets.

There are a number of existing budgetary proposals against which utility savings are already committed, these include £0.277m within the Energy and Waste Big Ticket and £0.200m generated through the centralisation of utility budgets. This proposal would bring the value of utility savings included within the Council base budget to £0.528m, equivalent to 9% of the Council funded budget.

In addition energy savings are included within the business cases for a number of proposed PV installation schemes and within energy efficiency schemes funded by SALIX loans. Energy Services need to establish robust systems to ensure that any savings made are only allocated against a single proposal.

Energy Services has an income target of £0.178m within its base budget for the sale of consultancy services arising from budget proposals over a number of years. In previous years this has been funded from vacancy savings within the service area, however due to the recruitment being undertaken there will be insufficient vacancy savings to meet this target so alternative measures will be required to address this in 2016/17 and beyond.

Proposals to generate utility savings within the Council will impact upon the financial position of Robin Hood Energy and Enviroenergy as both generate significant levels of income from the provision of utilities to the Council. Consideration may need to be given to the levels of financial returns required from the companies within the Medium Term Financial Plan.

If insufficient savings to meet the budgetary commitments of the service are generated, Energy Services will need to identify and implement alternative measures to compensate for the shortfall.

Advice provided by

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