

**PARISH ENERGY RECHARGING (STREET LIGHTING)**

**To: Highway and Community Infrastructure Committee**  
**Meeting Date: 12 March 2019**  
**From: Graham Hughes - Executive Director, Place and Economy**  
**Electoral division(s): All**

**Forward Plan ref:** **Key decision: No**

**Purpose:** **A number of District and Parish Councils procure their street lighting energy from the Council's energy contract. This is currently administered and invoiced by the Council, however, the cost to manage this process is increasing. Therefore we are seeking to withdraw from offering this service.**

**Recommendation:** **To approve the withdrawal of services for managing Street Lighting Energy for District and Parish Council street lights from October 2019.**

<b>Officer contact:</b>		<b>Member contacts:</b>	
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## **1. BACKGROUND**

- 1.1. Historically, District and Parish Councils have had energy for street lights they own supplied by Cambridgeshire County Council's (CCC) own energy provider, through our energy framework contract.
- 1.2. CCC's contract for street lights is based on an unmetered supply that requires a detailed inventory to calculate the billing on energy usage for each customer. This inventory is supplied by Balfour Beatty under the PFI contract arrangement.
- 1.3. CCC, on behalf of District and Parish Councils, have used the inventory information that Balfour Beatty kept, to procure energy. Costs are passed on (plus an admin fee to cover CCC staff time) as part of an annual / monthly billing process to the District and Parish Councils.
- 1.4. Over the last few years, a significant proportion of Parish Councils have looked elsewhere for more cost effective energy solutions, whilst a number of further Parish Councils are also questioning whether the current arrangement provides the best value for money.

## **2. MAIN ISSUES**

- 2.1 Previously Balfour Beatty maintained the accuracy of street lighting records on behalf of the Parishes and Districts, an inventory they kindly shared with CCC. Balfour Beatty no longer maintain Parishes and District street lighting inventories. This now falls to the Parishes and Districts to update/adjust their own lighting stock and inventory. In turn this has caused significant difficulties when it comes to billing the Parishes for energy and has resulted in an incomplete pass-through of costs by the County Council.
- 2.2 Invoicing and inventory checks were carried out by the Business Support Officer, however this post no longer exists and there is not the capacity within the current service to accommodate the existing workload. Poor data generates repeated work re-invoicing for energy, leading to confusion around who should be carrying out these activities.
- 2.3 Technical checks are also required and different parties need to be informed of these changes in order to calculate the unmetered supply costs to the Parish and District Councils, work that previously Balfour Beatty undertook for their Clients. Checking the accuracy of these records and making any changes to the inventory data is taking approximately a day per Parish for each change. This is currently being absorbed by Management Band staff, taking them away from their substantive duties.
- 2.4 This is a discretionary function, where work levels are increasing, which we are struggling to meet within existing service resources. The cost now being faced by CCC is in the region of £36k per year, with only £14k of that being recovered in the admin fee.
- 2.5 CCC is also aware of changes in Fenland and South Cambridgeshire District Councils with the provision of street lighting services they provide to the parishes. Therefore, this is a timely review point in terms of provision of services to third parties. There may be economic benefits to third parties procuring the most advantageous energy rates, by adding the lighting stock to energy bills they already pay for parish assets, without paying an admin charge for this service.

2.6 It is therefore proposed that this service be withdrawn by the Council from October 2019, giving the Parish, Town and District Councils time to find alternative suppliers.

**3. ALIGNMENT WITH CORPORATE PRIORITIES**

**3.1 Developing the local economy for the benefit of all**

There are no significant implications for this priority.

**3.2 Helping people live healthy and independent lives**

There are no significant implications for this priority

**3.3 Supporting and protecting vulnerable people**

There are no significant implications for this priority

**4. SIGNIFICANT IMPLICATIONS**

**4.1 Resource Implications**

The following bullet points set out details of significant implications identified by officers:

- There are no existing resources in service to cover this expanding demand of energy provision to third parties.

**4.3 Statutory, Legal and Risk Implications**

There are no significant implications for this priority.

**4.4 Equality and Diversity Implications**

There are no significant implications for this priority.

**4.5 Engagement and Communications Implications**

The following bullet points set out details of significant implications identified by officers:

- It is recognised that the Council will have to provide guidance to third parties in the transition to their new arrangements.

**4.6 Localism and Local Member Involvement**

There are no significant implications for this priority.

**4.7 Public Health Implications**

There are no significant implications for this priority.

<b>Implications</b>	<b>Officer Clearance</b>
<b>Have the resource implications been cleared by Finance?</b>	Yes Name of Financial Officer: Theresa Tilley

<b>Have the procurement/contractual/ Council Contract Procedure Rules implications been cleared by the LGSS Head of Procurement?</b>	Yes Name of Officer: Paul White
<b>Has the impact on statutory, legal and risk implications been cleared by LGSS Law?</b>	Yes Name of Legal Officer: Debbie Carter- Hughes
<b>Have the equality and diversity implications been cleared by your Service Contact?</b>	Yes Name of Officer: Elsa Evans
<b>Have any engagement and communication implications been cleared by Communications?</b>	Yes Name of Officer: Joanna Shilton
<b>Have any localism and Local Member involvement issues been cleared by your Service Contact?</b>	Yes Name of Officer: Richard Lumley
<b>Have any Public Health implications been cleared by Public Health</b>	Yes Name of Officer: Stuart Keeble

<b>Source Documents</b>	<b>Location</b>
None	