



The Local Authorities (Executive Arrangements) (Meetings and Access to Information)  
(England) Regulations 2012

## **Decision of the Leader of the Council, Councillor Paul Follows 28 June 2028**

### **Energy Procurement - Award of Energy Supply Contracts for Gas and Electricity**

**Record of Decision:** The Leader of the Council, having considered the report and recommendations, **RESOLVED** to approve:

1. The award of a contract for the supply of Electricity to the Council via the LASER consortium, for a two-year contract with the option to extend for one further year, worth up to £1,185,000 in total. This will be to the top ranked supplier on the Electricity framework – Npower.
2. The award of a contract for the supply of Gas to the Council via the LASER consortium, for a two-year contract with the option to extend for one further year, worth up to £1,167,000 in total. This will be to the top ranked supplier on the Gas framework – Total Energies.
3. To delegate to the Strategic Director of Place, in consultation with the Borough Solicitor, to enter into contractual arrangements on behalf of the Council to implement these decisions.
4. The Section 151 officer to present a detailed rationale to the Executive of the reasons for this decision being necessary, making it clear why such a large contract was not picked up as part of the 'business as usual' management of contracts and to provide a full list of all contracts over £500,000 and their renewal dates to the Executive by October 1<sup>st</sup> 2024.
5. A consideration of the net-zero tariff options under this framework (including full costings) to be presented to the Executive by January 31<sup>st</sup> 2025, in line with the Carbon Neutrality Action Plan objectives.

**Decision made by:** Councillor Paul Follows, Leader of the Council

**Summary:** The Council have contracted with LASER energy for the supply of Gas and Electricity which is due to expire in October 2024. The existing supplier (LASER consortium) have offered the Council the opportunity to join its flexible pricing framework, as long as the Council enters into contracts with LASER before the end of June.

There being insufficient time to switch energy suppliers without exposing the Council to significant price changes, a key decision in accordance with Access to Information Procedure Rule 14.1 was required. Due notice was provided to Cllr Peter Martin, Chair of Overview and Scrutiny Committee – Resources on 20 June 2024; and the same published

on the Council's website.

**Declaration of Disclosable Pecuniary Interests:** None.

**Key Decision?:** Yes – value >£200,000. Notice of General Exception published on 20 June 2024 [Notice of General Exception](#)

**Reason For Decision:**

1. The rates secured by LASER have been competitively purchased in the market, reducing the risk of the Council having to make spot purchases at inflated costs (as seen in 2022).
2. The alternative of trying to switch energy suppliers is too late at this point to be considered viable without exposing the Council to significant price volatility.
3. The Council does not have the necessary resources in energy to procure its own utilities at a competitive price.

**Consultation with:**

- a) The Statutory Officers of the Council
- b) Chairs of the Overview and Scrutiny Committees in accordance with Access to Information Procedure Rule 14.1
- c) The Mayor, in accordance with Overview and Scrutiny Procedure Rule 11.4
- d) All Members received the report.

**Alternative Options Considered:**

- The recommended option: To award two contracts for gas and electricity via the LASER framework to their top ranked suppliers, Npower and Total Energies.
- The alternative: to do nothing and procure energy on the spot market with no certainty as to those future costs, which exposes the Council to risk. The projected energy costs for the year from October for the Council will be £975k (increase of £190k pa) if we rely on spot rates.

<b>Other Matters Considered:</b>			
Legal Implications:	✓	Financial Implications	✓
Climate Change /Sustainability Implications	✓	Equality and Diversity Implications	✓
Community Safety Issues	✓	Human Resource Implications	✓
Key Risks	✓	Other	✓
<b>Background Papers:</b>			
<ul style="list-style-type: none"> <li>• None</li> </ul>			
<b>Contact Officer:</b> Dawn Hudd, Joint Strategic Director - Place			
Call-in	<p>Overview and Scrutiny Procedure Rule 11.4 provides that the call-in procedure shall not apply where the decision being taken is urgent. The Mayor (Cllr John Ward), in conjunction with the Monitoring Officer, agreed both that the decision proposed was reasonable in all the circumstances and to it being treated as a matter of urgency on 24 June 2024.</p>		

**Signed:**

**Date: 28<sup>th</sup> June 2024**

**Name:** Cllr Paul Follows

**Role:** Leader of the Council

If you have any questions about this decision please email [committees@waverley.gov.uk](mailto:committees@waverley.gov.uk)