

Diocese of Bath & Wells – Utility Costs Review

The Diocese has three options to offer to help ensure you have reviewed your energy costs. For many churches this is one of their major items of expenditure. After having the CFS energy advisory and benchmarking service in place for over five years together with the Parish Buying Energy Basket, the Diocese is concerned that over half of our parishes have not taken advantage of these free services. We do urge all parishes and/or benefices (as well as clergy), to make use of the services on offer. It is particularly important for parishes that have yet to use the services, to get in contact with CFS or Parish Buying to find out what savings can be achieved. Even if you have been in touch with them in the past, please do also contact them again if you have any concern about the PCC's current energy arrangements.

1. Parish Buying Energy Basket

The Energy Basket is a “pooled” contract, buying energy in bulk, direct from the wholesale market. They purchase energy on your behalf, along with thousands of other sites – churches, schools, cathedrals. Doing so allows them to take advantage of bulk buying power and lower the cost of your energy usage.

Parish Buying launched the first ever Church Energy Basket in September 2013. The next Energy Basket, starts on 1st October 2015. Don't worry if your contract is up before then – they offer an interim contract to take you from the end of your current contract, up to the start of the 2015 Basket. The last date to sign up is Friday 1st May 2015.

More information is available at

<http://www.parishbuying.org.uk/categories/energy/energy-basket.html>

Parish Buying also have specially negotiated prices for heating oil

To get started, please visit and register the Parish Buying website. Alternatively contact the national procurement team on 0800 368 0887 or email procurement@churchofengland.org

2. Charity Finance Solutions

For the past six years the Diocese has been working in partnership with Charity Funding Solutions (CFS) to provide a cost-free utility advice and benchmarking service for our parish treasurers and clergy. The service enables treasurers and clergy to:

- Obtain an up to date price ‘benchmark’ on parish utility expenditure.
- Change electricity-billing profiles to achieve enhanced savings.
- Identify and recover erroneously charged Climate Change Levies (CCL) and higher rate VAT.
- Obtain information on contracted energy rates to compare existing contract offers.
- Switch providers to obtain more beneficial contracted or uncontracted energy tariffs.
- Switch to a ‘green’ electricity provider and/or offset carbon emissions.
- Make reductions on parish office and vicarage telephony and broadband expenditure.

Over 150 parishes in the Diocese have now used the CFS service to make annual savings ranging from £150 to over £1500. Nine out of ten participating parishes have benefited, with energy cost savings averaging around 20%. The remaining parishes have been provided with information to

negotiate improved contract rates, or are awaiting contracts to end so that they can realise identified savings.

The initiative continues to develop in line with changes in the energy market and now incorporates cost information on both contracted and uncontracted supplies, as well as renewable energy. This enables PCCs to take an informed decision on their energy suppliers.

Although the OFGEM rule changes made in April 2014 led to energy companies simplifying domestic tariffs, there was little rationalisation of the business tariffs which affect most of our parish buildings. We are aware that many of our PCCs are still failing to act when receiving 'end of contract' letters from energy companies, resulting in them being automatically 'rolled-over' into more expensive short term energy contracts. With over 11 different electricity supply types in our ecclesiastical buildings, as well as differing transmission costs for those parishes with a gas supply, it is very important for PCCs to check out alternatives based on their supply type and pattern of energy consumption.

ACTION

To make use of the CFS service, treasurers or clergy need to let Noel or Patti Muddiman at CFS know:

- Whether the Church/Church Hall/Vicarage has just electricity, or also a gas supply.
- The number of separately billed supplies, and whether or not any of them are tied into a term contract. (If unsure, please check with the current supplier).
- The tariff being charged on the most recent energy bill for each supply, or if coming to the end of a contract, the new tariff being offered.
- If the PCC is paying for telephony/broadband services in the parish office or vicarage.

This information can be e-mailed to admin@cfsolutions.ltd.uk, or posted to **Church Utility Savings, 8 Wyldwood Close, Old Harlow, Essex, CM17 0JD**, or telephoned to **01279 303414**. Ideally CFS would like to see a copy of a recent bill, but if this is not possible the attached Parish Utility Costs Survey form can be used to collate and send the information.

If the initial check indicates worthwhile savings, Noel Muddiman will agree with the treasurer the way in which the savings information should be presented for further consideration, by say the PCC/DCC, and then help with any subsequent switching process and the associated VAT Declaration. If there are no savings to be made, the treasurer will at least have the benefit of an up to date energy price comparison for the church.

In addition to the benchmarking service, which will initially be of most benefit to parishes that are free to switch providers, Noel Muddiman can also advise treasurers on an appropriate course of action if the parish has an extant utility contract or would like to examine the potential of switching to a 'green' energy option.

3. Direct "Green Energy" Option

The Diocese, along with other dioceses in the South West, has been working with Ecotricity based in Stroud for a number of years. The company provides 100% green tariffs and also reinvests the highest amount per customer of any power company in new renewable power generation – something which is essential to change the mix of UK energy supply and increase fuel security. Switching to green energy also supports the carbon reduction targets of the Diocese.

The Company offers a switching service and some incentives to new customers. Please contact the Diocesan Business manager at Ecotricity Lucy Osborne Lucy.Osborne@ecotricity.co.uk or Direct Line 01453 761395

Details of Incentives (Please use the correct code)

Church/Church Hall Offer (Clergy houses can also use this route)

If a church switches then the Diocese will get £80

If a church hall switches Ecotricity will provide £50 to the Diocese

In addition Ecotricity can offer to put a new smart meter in a select number of churches that have business meters currently.

The code for Church instigated transfers is **BWD1** for vicarages and church halls - **BWD2** for churches

Offer to Domestic Homes/parishioners and vicarages

The individual will receive a £25 John Lewis/Waitrose Voucher per fuel gas and electric (which means £50 voucher for Dual fuel). In order to redeem the offer and measure performance – it is important to get people to quote **CFBW 1**. (*Please note the diocese will also receive £25 for every switch*)