

Disclaimer: Whilst all reasonable efforts have been taken by Box Power CIC for the figures in the Box Power CIC Performance Table, we have published to be accurate and verified these comparisons are provided in good faith and have undergone rigorous checking. Even so, human error is always possible, and we are happy to correct our published list by any provider of their data if so required. The data has been compiled from various methods including public facing websites of cost expenditure, annual and sustainability reports, FOI requests, Open Government License. .

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Why has Box Power CIC decided to investigate the energy costs paid by public authorities?

A few months ago, a client came to us after having a board meeting with their investors who wanted to make a comparison on their estate to someone else famous or local, but could find little to compare to, nor was anything easy.

We could find publicly available league figures from universities and NHS trusts, who clearly believe in collective transparency, but we couldn't find any valid point of reference for local or central government. So realising that if presently each council is oblivious to each other's performance, then with this lack of transparency, then each is surely unable to demonstrate it is achieving "best value for money whilst protecting the public purse" either to its own councillors, its own local taxpayers and any other organisations that may be buying through them such as schools, Leisure trusts and emergency services, then this gave us the idea to investigate energy buying for organisations across the public sector, including local authorities, government departments and public institutions, so other businesses, the public and interested parties could look at what they have been paying and draw their own conclusions.

What does the Box Power CIC Performance Table show?

The numbers include data on power and gas spend from 2021/22 (April to March) and 2022/23 (April to March) and enables comparisons with an average based on council

spend across the UK. Those who paid the lowest prices are at the bottom of the table and those who paid the highest prices are at the top. The top half average price paid across UK local authorities in the 2022/23 period is shown to be 40.4 p/p/kwh electricity and 12.8 p/p/kwh and the bottom half at 23.7 p/p/kwh electricity and 5.5 p/p/kwh

It enables any comparison by Council or organisations for usage or cost or average price paid and to the previous year.

The report enables filtering by type (High Profile, Government, Emergency services) with the local authorities all shown by region and can be sorted by Usage, ave all in p/p/kwh price purchased, Cost for either year. here data is in red, that indicates either the usage or the cost has been estimated.

The £ total purchased including EBRS and VAT outlines the total purchased on both electricity and gas.

Where you see **EBRS** mentioned, this refers to the Energy Bill Relief Scheme, where the Government provided a discount to those eligible on their gas and electricity unit prices. In simple terms, to financially support those who bought their energy at higher market prices during Summer/Autumn 2022 to soften the blow based on their energy buying/timing decisions.

What can be learned from the Box Power CIC Performance table?

The Box Power CIC League Table presents how much public bodies have used and purchased and year on year. It has been put together to provide transparency and to allow public bodies who are funded by the public to be scrutinised. We do not offer our own interpretation or opinion of the findings; we are just presenting them so others may.

How have these results been put together?

The data comes from a series of requests using freedom of information laws, invoices published on public body websites, written requests, and field documents.

What were the stand outs from the data?

The key findings from our data:

1. The local councils could have been saved £676 million if the top 50 percent had bought at the same rate as the bottom 50 percent.
2. The Government departments had saved £792 million by not paying at the council rates.
3. Manchester City Council in 2022/23 paid the highest prices of any local authority; Bolton bought gas at 21p, far in excess of the UK average.
4. Councils in Scotland mostly paid the lowest prices and appear to have performed better than their counterparts in England.
5. Birmingham City Council, who declared bankruptcy earlier this year, hedged effectively, coming in just under the average.

Why hasn't this been done before?

To ask public bodies including 400 local authorities around the UK is a huge undertaking, and we have had a team of people assigned to crunch the numbers. We

are proud to present what we've found and let others scrutinise. Despite the many challenges and attempted push back's, we were able to obtain the data much easier and enables fuller participation because we are a non-commercial organisation, it is produced for journalistic reasons and have no bias as we do not operate in that sector.

If prices were volatile last year and authorities say the prices were not being offered, is that not a valid reason for them to have paid higher prices than others have?

In our opinion, that may be a valid point for a rare few; some indeed have hedged at the very lowest price but may just have been fortunate to have fixed say three years ago.

Unlike most businesses though who do not have access to substantial economies of scale or the very best energy trading expertise (i.e., people who buy energy for a living), the public sector organisations including all central and local government but also emergency services, academy trusts and museums all do. The vast majority are also likely to be on a flexible wholesale purchase agreement which enabled them to forward purchase their energy up to three years in advance as desired based on their buying strategy.

Realistically, in our opinion, unless they physically didn't have a new supplier lined up before or in the weeks after the Ukraine invasion, then it should have been possible to simply protect prices for the winter by removing the risk by hedging/securing their price, long before prices went through the roof.

In simple terms, even if there were a clear set strategy and plan in place to say only forward buy their energy in the period close to that winter (the October to March period), in our opinion, if such a material circumstance poses risk to an unknown upward and uncapped price, then even if a pre-set price trigger which would have automatically locked down a price to cap the exposure/risk when they started to rise, it is logical to have quickly revised the situation.

Thereby being pro-active and not reactive, not only is there no stronger evidence of this happening when you look at central government and the 50% of councils who appear to have had such mechanism in place, but we also had taken such actions with our own clients who were advised to completely hedge that winter up to and soon after the invasion meaning no EBRS support was needed. Our public media interviews predictions and warnings of what was likely to happen post invasion is clear to see and was uncannily accurate for that period.

Why are you including VAT in the figures shown?

As the first disclosed response came from the Houses of Parliament, who included vat, then we wanted to maintain consistency, but we may show as net figures next year.

Why did they have to disclose this information to you?

This data is about transparency and every council and publicly funded organisation should be able to stand by their buying decisions in everything they purchase. This report makes clear the very reason why transparency is needed of the public purse so they can be held accountable, and scrutiny can be applied, but these organisations have easy access to join any of the multiple existing pre-approved frameworks and indeed many councils jointly own their own buying/negotiating group in any event.

For clarity this report was possible without any of their direct input, but we wanted to present a report full of accurate figures to be as presented from themselves. However, in any event on costs, the information must be disclosed if asked as it cannot be considered commercially sensitive within Section 43(2) as payments to energy suppliers are published via each council's public facing website. On the power and gas kwh's usages, they both fall within the Environmental Information Regulations Act 2004 and so are legally obliged to disclose emissions if asked and in addition they are unable to use confidentiality as a reason to refuse in any event.

Why aren't the multi-academy trusts listed?

As our report includes the top 20 largest multi-academy trusts and it can be reasonable to conclude that they may have better resources to buy their energy more effectively, than the very many smaller trusts, then more effectively as our figures indicate 50% bought well but the other 50% had bought materially more. Then our £307-million estimate is using the number of schools within our report and pro-rata that by the known number of AT Secondary and primary schools in the UK, multiplied by the kwh price difference to the price achieved by the Department for Education.

As these are educational charities, we have therefore decided not to name them, but shall disclose in full to the Department for Education, who may wish to look into this further.