

## Combined November and December 2023 Newsletter

With the energy markets being so volatile recently, we delayed publication hoping the markets would “settle down”. Unfortunately they remain volatile, so we have combined the newsletters. Wholesale gas prices volatility shown below.



### Care England –New Publication

We were delighted to contribute to the first edition of the above. Care England’s Prof Green introduced the magazine as a publication focused on helping care providers navigate challenging financial pressures.

Our contribution was a guide to how providers can work effectively with brokers, renew contracts and understand the energy market.

If you would like a copy please either go to the Care England LinkedIn page or email us for a copy at [info@focusenergyservices.co.uk](mailto:info@focusenergyservices.co.uk)

**The big energy debate**  
Brokers, contracts, and market trends

**Workforce wellbeing**  
Preventative approaches

**Shifting perspective**  
Sustainability in social care



## ENERGY PRICE OUTLOOK

Some commentators are suggesting the energy crisis is over, with temperatures across Europe are around the seasonal norm, flows of gas from Norway over the last week or so haven't faced much disruption and a number of Liquefied Natural Gas (LNG) deliveries scheduled for delivery to the UK in December.

The recent cold spell in the UK saw gas storage levels drop from 100% to below 70%. As the UK is only able to store enough gas for less than 4 days of cold weather (European Countries have many times that figure), we are dependent on being able to replenish stocks quickly, which relies on piped supplies from Norway and LNG.

Supplies can be disrupted by maintenance issues both in Norway and the UK, LNG deliveries being diverted elsewhere with higher prices being offered, bad weather at sea, strikes, terrorism and world events.

Whilst wholesale gas prices are low at present, any of the above could cause prices to spike quickly. With gas normally dictating the price of electricity that would also be affected but not to the same extent.



Whilst many, especially children will be hoping for a scene like this, for the care sector especially it would come with increased energy costs.

It is never too early to think about energy renewals or request advice/quotes from a broker/consultant that understands the care sector, energy markets and is up to date with **everything** that affects prices. You are then able to make informed choices.

## Energy Bill Relief Scheme (EBRS)

We are frequently seeing incorrect EBRS discounts that were applied to last winters energy bills, from both copy bills being sent to us and our free energy bill audits. Any refunds are much easier if you are still with the energy provider that failed to correctly apply discounts, so the earlier you commence establishing if you have overpaid the better.

## ELECTRICITY FROM BURNING COAL

The table alongside shows the increased cost of electricity when the UK burns coal. Worryingly November 2023 saw almost 4 times the amount of electricity generated from coal than November 2022.



	Cost No Coal	Cost Coal	Increased Cost	% Coal Generation
Jan-22	£149.55	£199.84	34%	2.37%
Feb-22	£116.66	£163.33	40%	3.38%
Mar-22	£179.79	£252.24	40%	3.02%
Apr-22	£143.67	£202.28	41%	1.17%
May-22	£121.19	£178.34	47%	0.03%
Jun-22	£144.71	£219.66	52%	0.42%
Jul-22	£159.91	£261.45	63%	2.47%
Aug-22	£286.32	£402.85	41%	0.96%
Sep-22	£213.22	£266.44	25%	2.67%
Oct-22	£102.49	£179.74	75%	0.47%
Nov-22	£104.95	£181.04	73%	0.77%
Dec-22	£85.17	£290.43	241%	2.98%
Jan-23	£87.46	£136.72	56%	2.19%
Feb-23	£117.63	£150.17	28%	1.78%
Mar-23	£112.94	£168.57	49%	0.65%
Apr-23	£97.49	£90.50	-7%	0.12%
May-23	£76.16	£51.60	-32%	0.00%
Jun-23	£86.13	£105.43	22%	0.41%
Jul-23	£67.23	£70.32	5%	0.52%
Aug-23	£75.98	£96.25	27%	0.59%
Sep-23	£74.62	£83.47	12%	1.73%
Oct-23	£67.37	£109.40	62%	1.91%
Nov-23	£75.72	£94.79	25%	2.88%

## BROKER COMMISSION

We recently conveyed our concern to OFGEM that a major energy supplier had advised brokers that they could both charge 2p rather than 1.5p a kWh and receive 80% rather than 70% of their commission when an energy contract commences. Whilst they stated that the increased commission was for any contracts submitted before the 31st January 2024, that time limit appears to have been removed.

Will a commission motivated broker push that energy suppliers products?

The Care England guide referred to in page 1, shows what you should be asking your broker especially if the broker isn't voluntarily declaring their fee and what it covers.

## BUDGETS FOR GAS COSTS

We are receiving an increasing number of providers tasking us to prepare budgets for energy costs. With the cost of gas varying considerably over the year, we are happy to calculate your monthly cost, based on a normal years weather.



Focus Energy Services Limited - proud Energy Partner to

# CARE ENGLAND

Representing independent care providers

At the time of writing it is almost a year to the day that Care England launched the Energy Tender, which resulted in over 16,500 energy bills being sent to us before the end of the 1st week of January 2023. (it is now over 75,000).

The tender has resulted in our:-

Making new ways of buying energy open to the care sector that weren't previously available to them.

Persuading energy providers to accept supplies they previously wouldn't.

Consistently, day in day out beating broker/supplier quotes & renewals.

Resolving issues/complaints providers had with their existing supplier/broker.

Recovering over £5m in VAT and Climate Change Levies for providers.

Finding overcharging in 100% of the energy audits we have carried out.



The new Care England publication (see page 1, contains what we think brokers should be telling you, what they should be doing and what you can ask them to ensure you are getting the most suitable product/ advice for your circumstances as well as the most competitive prices.

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If you have a question please send it to [info@focusenergyservices.co.uk](mailto:info@focusenergyservices.co.uk)

Our website [www.focusenergyservices.co.uk](http://www.focusenergyservices.co.uk) has regular updates and testimonials from providers we have helped.