


<b>Report to:</b>	Sutton Shareholdings Board	<b>Date:</b>	8 November 2016
<b>Report title:</b>	Sutton Decentralised Energy Network Business Performance Update		
<b>Report from:</b>	Mary Morrissey, Director of Opportunity Sutton Limited		
<b>Ward/Areas affected:</b>	Borough Wide		
<b>Chair of Committee/Lead Member:</b>	Councillor Simon Wales, Chair of the Sutton Shareholdings Board Councillor Jayne McCoy, Chair of Housing, Economy and Business Committee		
<b>Author(s)/Contact Number(s):</b>	Mandy Cherrington, Director of Sutton Decentralised Energy Network Limited 020 8770 5530		
<b>Corporate Plan Priorities:</b>	<ul style="list-style-type: none"> <li>• An Open Council</li> <li>• A Green Council</li> <li>• A Fair Council</li> <li>• A Smart Council</li> </ul>		
<b>Open/Exempt:</b>	Open with the exception of Appendix B (Sutton Decentralised Energy Network Risk Register) which is exempt by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972.		
<b>Signed:</b>		<b>Date:</b>	26 October 2016

## 1. Summary

- 1.1 This report presents for noting both the update contained in the Sutton Decentralised Energy Network (SDEN) Performance Report and the Risk Register for SDEN.

## 2. Recommendations

The Sutton Shareholdings Board is recommended to:

- 2.1 That the Committee notes the performance update contained in the SDEN Report in Appendix A.
- 2.2 That the Committee notes the un-amended SDEN Risk Register attached in Appendix B (exempt) from the previous committee.

## 3. Background

- 3.1 Following the Council's decision in July 2014 to establish an Energy Services Company, a detailed business model was prepared to demonstrate the commercial viability of the company. The initial business plan and Shareholder Agreement were approved by the Opportunity Sutton Ltd

Sub-Committee (now the Sutton Shareholdings Board) on 4 August 2015, enabling SDEN Limited to be established. Since the approval of the business plan, progress has been made on Phase 1 and 2 of the network.

**4. Performance Update**

4.1 The performance update is attached at Appendix A.

**5. Risk Register**

5.1 There have been no amendments to the Risk Register since the previous Sutton Shareholdings Board on 22 June 2016.

**6. Impacts and Implications**

**Financial**

6.1 In July 2013, the London Borough of Sutton’s Strategy and Resources Committee approved the Conceptual Business Case for the development of a district heating network in Sutton, with funding of £4.5m.

6.2 A detailed Financial Model has been prepared for the Phase 1 Scheme and this demonstrates a positive cash flow of £1.54m from delivery of the scheme.

**Legal**

6.3 The recommendations in this report do not give rise to any specific legal implications.

**7. Appendices and Background Documents**

Appendix letter	Title
A	SDEN Performance Report
B	SDEN Risk Register, exempt by virtue of paragraph 3 of Schedule 12A of the Local Government Act 1972.

Background documents
None

Audit Trail		
Version	Final	Date: 28 September

		2016
<b>Consultation with other officers</b>		
Finance	No	N/A
Legal	No	N/A

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