

<b>Report to</b>	Council	<b>Item</b>
	24 September 2019	
<b>Report of</b>	Chief finance officer (Section 151 Officer)	<b>9</b>
<b>Subject</b>	Adjustment to the General Fund Capital Programme 2019 - 20 – Replacement Lighting at St Andrews Multi-Storey Car Park	

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### **Purpose**

To approve a Salix Energy Efficient Loan Scheme (SEELS) funded budget of £285,000 within the General Fund Capital Programme 2019/20 to facilitate the installation of new energy efficient LED lighting at St Andrews Multi-Storey Car Park.

### **Recommendation**

To approve cabinet's recommendation of the 11 September 2019:

That the 2019/20 General Fund Capital programme is increased by £285,000 to facilitate utilisation of the Salix Energy Efficient Loan Scheme to finance the cost of installing the new LED lighting and associated fees.

### **Corporate and service priorities**

The report helps to meet the corporate priority great neighbourhoods, housing and environment

### **Financial implications**

Based on an indicative quote the cost of installing the new energy efficient LED lighting at St Andrews multi storey car park has been estimated at £285,000. The expenditure will be funded entirely by drawdown from the approved SEELS facility.

**Ward/s:** All Wards

**Cabinet member:** Councillor Kendrick - Resources

### **Contact officers**

Andy Watt, head of city development services	01603 212373
Richard Willson, environmental strategy manager	01603 212312
Karen Watling, chief finance officer, LGSS	01603 212440

Paul Smithson, service accountant grants and planning

01603 212603

**Background documents**

None

# Report

## Introduction

1. The proposed project will replace the existing lighting with energy-efficient LED equivalents within St Andrews multi-storey car park. The only areas of the car park that will not have the lighting upgraded are the emergency stairwells, where an existing LED replacement project has been completed. It is intended that 1083 light fittings will be replaced with new energy-efficient LED options. The replacement light fittings will have additional sensors to further reduce energy consumption – via motion and daylight sensing technology.
2. The site is the second highest electricity consuming asset controlled by Norwich City Council and as such is making a significant contribution to the total carbon emissions from the council.
3. This project will make a significant contribution to the council's carbon reduction plans. If works proceed as planned, then there will be a 116.35 tonne reduction in annual CO<sub>2</sub> emissions.
4. It will also significantly reduce the energy usage on this site – calculations show an 87% energy consumption reduction is achievable.
5. The project is intended to be completed before the end of the 2019 financial year.
6. The existing lighting equipment is now 15 years old. Some component parts are now obsolete and lighting failures are now commonplace with repairs expenditure increasing with time – it is anticipated that an annual saving of approximately £10,000 on repairs and maintenance could be achieved once work is complete. This project will refresh this equipment which otherwise would be recommended for replacement in the near future.

## Financial information

7. Council approval for an increase in the 2019/20 General Fund Capital Programme is required to confirm the capital budget to finance the award of a contract to install the new energy efficient LED lighting.
8. Salix Energy Efficient Loan Scheme (SEELS) has been approved and will fund 100% of this lighting upgrade project.
9. Salix loans 'provide interest-free Government funding to the public sector to improve their energy efficiency, reduce carbon emissions and lower energy bills. Salix is funded by the Department for Business, Energy and Industrial Strategy, the Department for Education, the Welsh Government and the Scottish Government and was established in 2004 as an independent, publicly funded company, dedicated to providing the public sector with loans for energy efficiency projects.'

10. This loan will then be repaid through the energy and maintenance savings achieved by the installation of the new lighting over a period of 5 years.
11. Savings made after that period will be reflected in the in the significant reduction in energy costs on the asset – projected to be in excess of £53,000 less per annum than would have been the case with no work undertaken.
12. To date the council has achieved a carbon reduction of 57.1%. The project contributes towards the council's ongoing programme of energy efficiency and will therefore complement the objectives within the Environmental Strategy. Any wastes will be recycled where possible or disposed in accordance to relevant legislation. Any lessons will be applied to other relevant assets where possible.

## Integrated impact assessment



**NORWICH**  
City Council

### Report author to complete

<b>Committee:</b>	Council
<b>Committee date:</b>	24 September 2019
<b>Director / Head of service</b>	Andy Watt
<b>Report subject:</b>	Adjustment to the General Fund Capital Programme 2019/20 – Replacement Lighting at St Andrews Multi-Storey Car Park
<b>Date assessed:</b>	2 September 2019

	Impact			
<b>Economic</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Finance (value for money)</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	To ensure the best value for money is obtained from the available supplier.
<b>Other departments and services</b> <b>e.g. office facilities, customer</b> <b>contact</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Reduced luminaire failures and faults will reduce maintenance requirements and associated costs. Sectioning-off areas of the car park during installation may lead to a minor level of revenue loss – despite mitigation measures in place.
<b>ICT services</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Economic development</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Financial inclusion</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Social</b> (please add an 'x' as appropriate)	<b>Neutral</b>	<b>Positive</b>	<b>Negative</b>	<b>Comments</b>
<b>Safeguarding children and adults</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b><u>S17 crime and disorder act 1998</u></b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Human Rights Act 1998</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>Health and well being</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Suppliers appointed will recycle the vast majority of waste material.
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<p>Make a significant contribution to the NCC carbon reduction plans. If works proceed as planned, then there will be a 116.35-tonne reduction in annual CO2 emissions.</p> <p>Significantly reduce the energy usage on this site – calculations show an 87% energy consumption reduction is achievable.</p>

(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
<b>Risk management</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Risk of financial savings falling below expectations:</p> <p>There is a risk that assumptions made on energy cost increases over the period of the loan (5 years) will not occur, leaving gaps in funding repayments. NCC would make significant savings on total energy costs on all assets as a result of any lack of increase in energy costs but would still leave a repayment shortfall on this asset.</p>

Recommendations from impact assessment	
<b>Positive</b>	
<b>Negative</b>	
<b>Neutral</b>	
<b>Issues</b>	



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