

REDDITCH BOROUGH COUNCIL

RECORD OF DECISION TAKEN UNDER URGENCY PROCEDURES

SUBJECT: Virement of Repairs and Maintenance Budget to fund installation of Solar Panels at Abbey Stadium and Crossgates House

BRIEF STATEMENT OF SUBJECT MATTER:

Approval is sought to vire funds from the R&M capital programme into a new specific project budget to fund the initial installation of electricity generating solar panels at the Abbey Stadium and Crossgates House. This capital will be recouped within 5-7 years at the most, from the Government's current Feed in Tariff scheme incentive and from significant reductions in current electricity costs for these sites as a result of on-site electricity generation. After payback is achieved, the project will continue to generate Feed in Tariff income for 20 years from the date of commissioning and electricity savings for the lifetime of the panels (at least 20 years). This project will also significantly contribute to our Climate Change objectives as a council.

Below is an indicative quotation which outlines the cost of the electricity generating solar panels and the anticipated cost savings and income from the Feed in Tariff and electricity savings. The electricity savings are conservative and will be greater than outlined, as the unit rate that RBC pays is slightly higher. Electricity prices are also set to significantly increase over the next 5 – 10 years so the installation will help to protect against this.

Should the funding be agreed, then Place Partnership will procure and manage this project for Redditch Borough Council as they would for any other R and M capital project and via their usual channels.

Building	System kWp	Cost + VAT	Energy PA	Fuel Savings	FIT Payments	Export	Total Savings	
Abbey Stadium	25	£29,950	20575	£2,058	£2,325	£499	£4,881	6.1 year payback
Crossgates	28	£31,500	23324	£2,332	£2,636	£566	£5,534	5.6 year payback

*Fuel savings assumes that RBC are paying 10p per kWh for electricity and that 100% of the free electricity is consumed on site

Benefit to RBC over 20 year contract

Building	System kWp	Cost + VAT	Total Savings	Return	Benefit to RBC over 20 years
Abbey Stadium	25	£29,950	£4,881	16.3%	£97,628
Crossgates	28	£31,500	£5,534	17.6%	£110,672

*Benefit to RBC over 20 years does not account for fuel or FIT inflation or maintenance costs over scheme

DECISION:**RESOLVED that**

up to £62,000 be vired from the Repairs and Maintenance capital budget to a specific project capital budget to fund the installation of electricity generating solar panels at Abbey Stadium and Crossgates House.

(Executive decision)

GROUNDS FOR URGENCY:

During the previous successful programme of installation of electricity generating solar panels on Redditch Town Hall, the Palace Theatre, Redditch Crematorium as well as several Redditch Borough Council owned sheltered housing sites, it was impractical to include Cross-gates House and the Abbey Stadium, as the former was leased out to the NHS at the time and the Abbey Stadium was undergoing redevelopment. Changes in these circumstances together with incorporation of Energy Management Services into the Place Partnership agreement now means that we are in a position to install such solar panels on these buildings. However, the government has put out to consultation a proposal to significantly decrease the Feed-In tariff from Jan 2016, making any electricity generating solar installations from that point on likely to be much less cost beneficial (unless the market responds by a massive drop in prices). The Place Partnership team advise that the project is achievable within this time constraint, as long as we are able to get a decision to go ahead with the project by the end of this month (October 2015).

 DECISION APPROVED BY:*(Deputy)* **CHIEF EXECUTIVE** **EXECUTIVE DIRECTOR FINANCE & RESOURCES**
(if financial implications).....
(Signature) (Sue Hanley / Kevin Dicks - (D)CX).....
(Signature) (Jayne Pickering)**Date: 26 October 2015** **PROPOSED ACTION SUPPORTED** *(amend as appropriate)*

<i>.....</i> (Signature)	<i>.....</i> (Signature)	<i>.....</i> (Signature)	<i>.....</i> (Signature)	<i>.....</i> (Signature)
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Cllr Pattie Hill MAYOR *	Cllr John Fisher PF HOLDER	Cllr Bill Hartnett LEADER / LDR LABOUR Group	Cllr Juliet Brunner LEADER CONSERVATIVE Group	Cllr Jane Potter CHAIR O&S Committee
Date:	Date:	Date:	Date:	Date:

Notes:

'Live' Signatures on a paper form are not necessary, so long as Officers receive an e.mailed confirmation of agreement from relevant Members/Officers.

** In addition to the Executive decision above regarding the matter under consideration, the Mayor is signing to agree both that the Executive decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. This is to ensure that the call-in procedures as set out in Part 11 (Overview and Scrutiny Procedure Rules) of the Constitution shall not apply where an Executive decision being taken is urgent.