

AGENDA ITEM 156

PROJECT B

AN ENERGY SAVING PROJECT, CONVERTING ALL EXISTING SOX AND SON LANTERNS TO LED

1. Project Background

The Project Plan has been prepared by the clerk and is based on:

- The council's steer to approach this project strategically, taking into consideration:
 - Projected Energy Savings
 - Projected Maintenance Savings
 - The current shortfall in funds if this was to all be dealt with as one 'streetlight improvement' project
 - (Minute 79.19 refers)
- The recommendations of the Working Group, following their meeting on 05.08.19
- NALC Guidance
- Local residents have been consulted and communicated with about the project via a dedicated page on the parish council website, an article in the September edition of the Parish Magazine 'The Ripple' and via meeting agendas and minutes which are available on the website.

2. Project Benefits

- Once complete, the project will help towards reducing the council's carbon footprint as LEDs are more environmentally friendly than SOX and SON lamps
- Once complete, the predicted energy saving would be 60-65% reducing the council's annual energy bill from £6319 to around £2500 p/a (saving around £3750 p/a)
- Once complete, the routine maintenance and repair costs will reduce significantly. The lanterns will be on 5 year warranty (depending on supplier). The majority of the repairs at present are bulb replacements and work to the lanterns so the annual spend of between £4000 - £6000 p/a could be estimated to reduce to <£1000 (saving on average £3000 - £4000 p/a)
- Once complete, **the project could save the council around £7000+ p/a**

3. Market Testing / Estimated Costs

Three companies have been approached, regarding project A, to enable the council to consider estimations and the amount of money that would need to be borrowed / drawn on from reserves to complete this project.

Please note – these are estimates at this stage, to provide an indication of the project cost to assist with decision making, regarding funding the project.

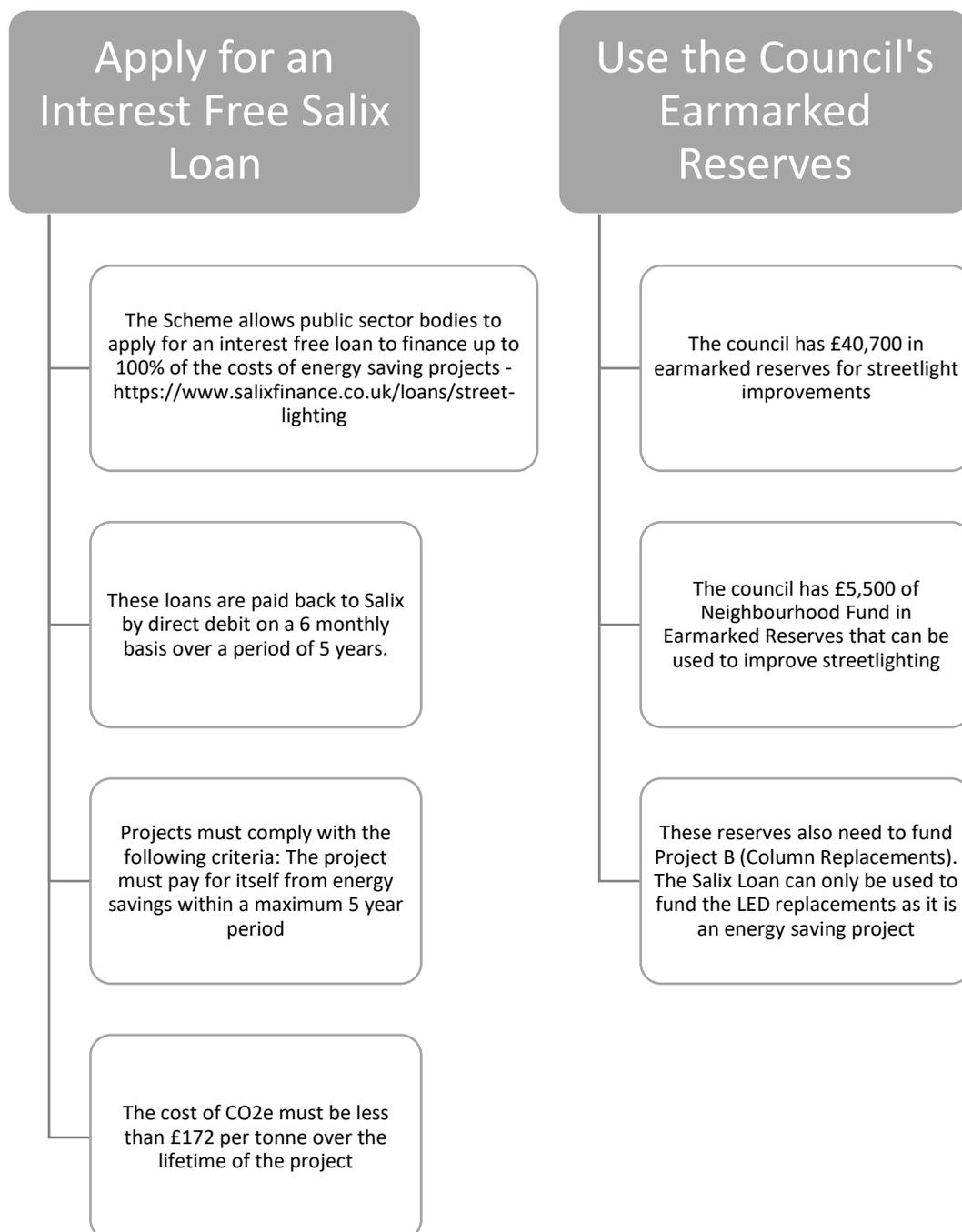
Copies of estimates supplied.

4. Funding the Project

When considering the following, please refer to the current budget 2019/20 and draft budget for 2020/21, showing the savings and how these can be used to re-pay the loan. If the council was

unable to meet the loan repayments through these means, the council would be reliant on their earmarked reserves for streetlight improvements and general reserves which are currently maintained at a healthy level (as per the General Reserves Policy)

The loan repayments will be dependent on which contractor the council appoints and the total cost of the project (refer to item 3).



5. Timescales and Next Steps

If using council reserves to fund the project, the process will be as follows:

- I. Considering Financial Regulation and Standing Order and whether the quoting process is sufficient for the scale of project or whether the contract will need to go out to Public Tender
- II. The work can commence as soon as a contractor is appointed and could be completed within 6 months (estimate)

If financing the project through a loan the process is as follows:

- I. Apply for the loan with Salix
- II. At the same time, submit an application for borrowing approval to the Ministry of Housing, Communities and Local Government
- III. Once both have been approved, the same process as above applies, appointing a contractor and commencing the work
- IV. The stipulation of the Salix Loan is that the work must be completed within 9 months