ABSTRACT: This report presents the 2010/11 end of year status of the Central Energy Efficiency Fund. The cash value of the fund on March 31st 2011 was £85,599. Projects completed in 2010/11 resulted in a saving of 11,400 kg of CO₂.

1. RECOMMENDATION

The Committee is recommended to note the contents of this report.

2. BACKGROUND

The Resources and Central Services Committee noted the contents of Report No 1008/04 and approved Angus Council’s participation in the Energy Efficiency Initiative announced by the Scottish Executive on 6th June 2004.

It establishes that the Head of Property is responsible, in partnership with the Head of Finance, for the management of this fund, with a contribution of £321,000 over two years from the Scottish Executive, and shall prepare and submit reports identifying a prioritised and costed phased programme of “Invest to Save” projects which will reduce energy consumption and promote savings for selected non-housing council properties. Such programmes require the prior approval of the Scottish Government and can only utilise certain pre-determined technologies and meet the fund’s payback criteria.

In 2004, the Scottish Executive set up an external fund specifically for the Public Sector to support the investment in energy conservation measures that will help reduce the greenhouse gas emissions in line with the Government targets.

Angus Council received an initial allocation of £208,585 on the 16th November 2004 and the final allocation of £112,315 on 28th March 2006 bringing the total fund to £320,900.

This fund is operated on a revolving basis i.e. projected savings are returned to the fund to pay back the initial investment and thereafter the savings are accrued to the Council. The fund can then be used to invest in further energy efficiency measures.

3. CURRENT POSITION

Financial year 2010/11 had an opening balance of £81,079 and received £125,916 of repayments from projects completed in preceding years and benefited from interest of £1,012. In addition there was income of £3,508 from the operation of the Combined Heat and Power (CHP) plant at Arbroath Sports Centre.

The 2010/11 CEEF programme comprises, predominately, the installation of voltage optimisers in a range of council non-Housing properties. In accordance with guidance from the Corporate Procurement Manager it was determined appropriate to undertake competitive procurement for this second phase of such equipment. Following detailed investigation, the framework agreement available from the Eastern Shires Procurement Organisation was adopted as an appropriate means of procurement. This research extended the procurement process and was compounded by post-tender investigation of competing offers. The placing of orders has been delayed resulting in most expenditure now taking place in 2011/12.
Opening Balance of Fund 81,079

Add
Interest on revenue balances 1,012
CHP Income 3,508
CEEF repayments 125,916 130,436

Less
Payments made to March 31st 2011 (6,601)

Balance of Fund as at 31st March 2011 204,914

Commitments
Less outstanding commitments (119,315)

Closing Balance of Fund 31st March 2011 85,599

4. RISK

This report does not require any specific risk issues to be addressed.

5. FINANCIAL IMPLICATIONS

There are no financial implications at this point in time.

6. HUMAN RIGHTS IMPLICATIONS

There are no Human Rights Act implications specific to this report.

Any implications, as a consequence of discharging recommendations detailed in this report, will be managed in accordance with the standing procedures and processes established by the Property Division.

7. EQUALITIES IMPLICATIONS

The issues contained in this Report fall within an approved category that has been confirmed as exempt from an equalities perspective.

8. ANGUS COMMUNITY PLAN AND SINGLE OUTCOME AGREEMENT

This report contributes to the following local outcome(s) contained within the Angus Community Plan and Single Outcome Agreement 2011-2014:-

- Our carbon footprint is reduced

9. CONSULTATION

The Chief Executive, Head of Law and Administration and the Head of Finance have been consulted in the preparation of this report.
REFERENCES

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Colin McMahon
DIRECTOR OF CORPORATE SERVICES

NOTE: No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information), were relied on to any material extent in preparing the above report.

Property/JP/JR