

# Nottingham City Council Delegated Decision



Reference Number:

4148

Author:

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Department:

Commercial and Operations

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Subject:

Public Sector Decarbonisation Scheme - Loxley House Lighting

Total Value:

£985,678 (Type: Capital)

Decision Being Taken:

Accept £985,678 grant funding from the Department for Business, Energy and Industrial Strategy (BEIS) Public Sector Decarbonisation Scheme (PSDS) administered by Salix Finance Ltd to fund lighting replacement works at Loxley House.  
Delegate authority to the Head of Energy Services to sign and return a Grant Offer Letter to Salix Finance Ltd to accept the funding and approve the project delivery team to enter into contract for the supply of lighting via existing Framework.

**Reasons for the Decision(s)**

**Nottingham City Council's Energy Services have successfully applied for grant funding through the BEIS Public Sector Decarbonisation Scheme. The grant will fund a lighting upgrade project at Loxley House and will supplement funds already allocated against a partial lighting upgrade in the 2020/21 Forward Maintenance Plan, ensuring that the full building can be retrofit with energy efficient LED lighting and smart controls.**

**Loxley House currently has its original lighting infrastructure; standard T5 and compact fluorescent lighting and a control system which is not in working order. The lighting has relatively high energy consumption and lighting control modules (LCMs) are failing and are no longer manufactured, with only a handful of spares in stock.**

**The lighting upgrade will include:**

- **Replacement of all non-LED lighting with energy efficient LED alternatives,**
- **A smart control system with daylight and occupancy sensors, integrated into the building's BMS (building management system),**
- **Surplus lighting to be removed (c. 1000 lamps).**
- **Replacement and upgrade of the emergency lighting to all areas (inc. car park, plant rooms etc.)**

**The project will:**

- **Reduce the energy consumption and carbon footprint of the building, reducing energy costs by almost £70,000 per annum and contributing to the Council's Carbon Neutral 2028 ambition.**
- **Improve quality of light in the building, providing a fully controllable and adjustable system which responds to daylight and occupancy, and removing surplus lighting based on reconfigurations of spaces that have happened over time (e.g. Unlocking Loxley).**
- **Reduce servicing and repairs costs (currently c. £15k per annum) by upgrading the system with a state of the art system with 7 year warranties in place.**
- **Reduce time and costs associated with weekly emergency testing by installing a fully automated emergency testing system.**

**The project will be managed by Energy Services, with support from Building Services and Asset Management, and delivered by the Mechanical and Electrical Team in Building Services who will act as Principal Designer and Contractor. Lighting supply will be procured through an approved framework.**

**Other Options Considered:**

**The option not to accept the funding was considered but rejected - the 100% grant funding will reduce future pressure on the Forward Maintenance Plan.**

**Background Papers:**

**None**

**Published Works:**

**None**

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|--|---|
| <b>Affected Wards:</b>                     | Castle  |
| <b>Colleague / Councillor Interests:</b>   | None  |
| <b>Consultations:</b>                      | Those not consulted are not directly affected by the decision.  |
| <b>Crime and Disorder Implications:</b>    | None  |
| <b>Equality:</b>                           | EIA not required. Reasons: Not applicable   |
| <b>Social Value Considerations:</b>        | Approved framework to be used for lighting supply.  |
| <b>Relates to Council Property Assets:</b> | Yes   |
| <b>Relates to Building Services:</b>       | Yes   |
| <b>Decision Type:</b>                      | Portfolio Holder  |
| <b>Subject to Call In:</b>                 | Yes   |
| <b>Call In Expiry date:</b>                | 15/03/2021  |
| <b>Advice Sought:</b>                      | Legal, Finance, Procurement, Property, Building Services  |
| <b>Legal Advice:</b>                       | <p>This report seeks authority to accept grant funding from Salix to undertake energy retrofitting works at Loxley House. provided the works are undertaken in accordance with the grant terms this report does not raise any significant legal issues. The grant terms provide that the City Council will take the financial risk in the event of an overspend in carrying out the works. The retrofit works must deliver the savings and energy benefits agreed with Salix. Advice provided by Andrew James (Team Leader Contracts and Commercial) on 25/02/2021.</p> |

**Finance Advice:**

This decision aligns with the Carbon Neutral Nottingham Plan to reduce carbon emissions.

NCC seeks to accept this SALIX grant in order to undertake energy retrofitting works at Loxley House. The Head of Energy Services is required to ensure all grant conditions are adhered to in order to minimise the risk of any grant clawback.

At Executive Board February 2021 a control total for the Capital Programme was approved, this project is outside of the control total as it was not identified at the time the capital budget was set. However, as this project is wholly funded by external grant it can be added to the Capital Programme and increasing the capital budget. Following the approval of this decision the capital programme will be amended accordingly.

As this project is funded from external grant with no match funding required it falls outside of the current amended scheme of delegation and as such does not require prior approval from the S151 Officer or Chief Executive.

Advice provided by Tom Straw (Senior Accountant - Capital Programmes) and Tania Clayton Perez (Commercial Business Partner) on 02/03/2021. Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 02/03/2021.

**Procurement Advice:**

There are no procurement concerns in relation to this report. Advice provided by Paul Ritchie (Lead Procurement Officer) on 19/02/2021.

**Property Advice:**

This grant provides the opportunity to complete much needed maintenance at a hugely reduced cost to the council and will result in significant revenue savings in future years too. Property fully supports this decision.

Advice provided by Jason Tyler (Business Partner, Strategic Asset Management) on 22/02/2021 Advice provided by Jason Tyler (Strategic Assets & Property Business Partner) on 22/02/2021.

**Building Services Advice:**

There are no building services concerns in relation to this report Advice provided by Trevor Bone (Property Maintenance Manager) on 19/02/2021.

**Signatures**

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|---|
| David Mellen (Leader/ PH Regeneration, Schools, Communications) |
| SIGNED and Dated: 06/03/2021                                    |
| Chris Henning (Corporate Director for Development and Growth)   |
| SIGNED and Dated: 04/03/2021                                    |