

# Nottingham City Council Delegated Decision



Reference Number:	3648
Author:	Will Cross
Department:	Development and Growth
Contact:	Will Cross (Job Title: Estates Surveyor, Email: will.cross@nottinghamcity.gov.uk, Phone: 01158763666)
Subject:	Installation of new gas boilers and flue at Heathcoat Building, Nottingham Science Park, University Boulevard, Nottingham, NG7 2QP
Total Value:	£26,238.23 (Type: Capital)
Decision Being Taken:	<p>To contribute £26,238.23 (towards a total cost of £31,485.87) from the Property Trading Account to replace the existing boilers, including the installation of a new flue system, at Heathcoat Building, Nottingham Science Park, University Boulevard, Nottingham, NG7 2QP.</p> <p>To note that the remaining balance of £5,247.64 for the works, will be financed through Nottingham City Council's Salix Recycling Fund.</p>
Reasons for the Decision(s)	<p>The building forms part of the Chamber Estate investment property portfolio. The building is heated through gas fired boiler plant the condition of which is rapidly degrading, and now reaching life expiry. The installation of new boiler units, complete with flue system, is required in order to continue to provide heating to the building.</p> <p>The capital cost for replacing the plant will be part financed through Nottingham City Council's Salix Recycling Fund (at approximately 54%) over over a 10 year term.</p> <p>Salix Finance enables public sector organisations across England, Scotland, Wales and Northern Ireland to take a lead in tackling climate change by increasing their energy efficiency. Salix provides 100% interest-free capital for the public sector to reduce their energy costs by enabling the installation of modern, energy efficient technologies and replacing dated, inefficient technologies.</p> <p>Nottingham City Council's Energy Services manage a Salix Recycling Fund which is a ring-fenced fund managed by the public sector organisation, with money provided by the organisation and match funded by Salix. The project loan is repaid into the fund from the financial savings delivered by the projects - this allows the fund to be continually used for energy efficiency projects, hence the term 'Recycling Fund'. At the same time the organisation continues to benefit from the savings that accumulate once the project has been fully repaid.</p>

**Other Options Considered:** a) Not replace the boiler units.  
b) Not to part finance the works through the Salix Recycling Fund.  
Both options were rejected as a new heating system is required and the capital outlay to the City Council is reduced by part financing the works through the Salix Recycling Fund.

**Background Papers:** Energy Audit relating to heating provision Heathcoat Building - September 2019

**Unpublished background papers:** Heathcoat heating study redacted.pdf

**Published Works:** None

**Affected Wards:** Lenton and Wollaton East

**Colleague / Councillor Interests:** None

**Consultations:** Those not consulted are not directly affected by the decision.

**Crime and Disorder Implications:** The installation of new boilers and flue will have no bearing on crime or disorder within the local area.

**Equality:** EIA not required. Reasons: The works are with respect to replacing the boiler plant complete and it would be disproportionate to carryout an EIA.

**Relates to Council Property Assets:** Yes

**Decision Type:** Officer

**Executive Decision?** Yes

**Scheme of Delegation Reference Number or Other Source of Delegation:** 250. Council owned Land and Property - Property Trading Account

**Subject to Call In:** No  
The call-in procedure does not apply to the decision because the value of the decision is below the call in threshold.

**Advice Sought:**

**Finance, Property**

**Finance Advice:**

**Following the approval of this decision the capital programme will be amended accordingly. The shortfall between the Salix Grant received and the capital expenditure is to be funded from secured Property Trading Capital Receipts.  
Advice provided by Tom Straw (Senior Accountant - Capital Programmes) on 16/09/2019.**

**Property Advice:**

**The boilers and flue require replacement at this property to allow it to continue to be used to rent out to create revenue income for the property trading account. Advice provided by Pippa Hall (Portfolio and Investment Manager) on 16/09/2019.**

**Signatures:**

**Kevin Shutter (Director - Strategic Assets & Property)**  
**SIGNED and Dated: 19/09/2019**