

Cabinet – 19 May 2011

Agenda Item 5

A written response to supplemental Question 1 is set out below and appended to the minutes:

1.

Questioner: Councillor Kam Chana

Asked of: Councillor Phillip O'Dell, Portfolio Holder for Environment and Community Safety

Question: Can you provide an update on the work completed under the Salix energy saving loans project that was agreed by Cabinet in July 2010?

Answer: I am pleased to report the Council has now completed a total of 15 projects of this scheme using £273,000 of SALIX funding.

Supplemental Question: Can you explain why in some cases officers were told in September last year that work under this scheme would be completed this year? It has not happened.

Supplemental Answer: I am happy to give you a written answer on that question because I do not have the facts at hand.

Written response: The SALIX programme was a complicated programme to administer as it comprised of a number of relatively low value works across Council buildings and schools that needed to be surveyed and assessed to ensure that the works met the terms and conditions set by SALIX. To manage with a limited capacity and given the work involved in preparing a number of small project business cases, it was not prudent to commence the detailed design work ahead of the Cabinet approval for the scheme which was obtained in July 2010.

The original deadline for completion of the work was Dec 2010 – giving a very short timescale between obtaining the funding and delivery. Officers managed to negotiate an extension to this deadline (to March 2011) with SALIX. It was not possible to extend the project beyond this date because of the spending conditions of the scheme.

The aim of the scheme was to loan money to fund work to improve efficiency in energy usage and to use the savings achieved to pay back the loan. The detailed design work identified that some individual schemes did

not meet the pay-back criteria and these were not pursued. It would not be appropriate for the Council to loan against schemes that could not provide the pay back in the period required by the scheme.

The Council delivered the viable projects within the available time. All the completed projects were signed off and repayment of the loans has commenced.