

Agenda item 5

For ratification – Salix loan for decarbonisation measures at Town Hall

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Summary

The purpose of this report is to ratify the decision made by the Town Clerk on 31 March 2021 to take out a 0% interest loan from Salix to enable expenditure for solar photovoltaic (PV) panels and LED lighting at the Town Hall.

In January 2021, Frome Town Council submitted a bid to the Public Sector Decarbonisation Scheme for grant funding to pay for solar PV panels, LED lighting and draughtproofing measures at Town Hall. These measures were chosen based on an energy report commissioned by Darren Evans Ltd.

Unfortunately, the application for the grant was unsuccessful due to the fund being oversubscribed by 100%. The second round of the Public Sector Decarbonisation Scheme, launched in March, focused on the replacement of heating systems and therefore unfortunately this project was not eligible for round 2 funding.

It was therefore decided that FTC would look into a zero-interest loan, also provided by Salix, to fund the work. On 30th March, the Salix team made Nikki Brain, Resilience Officer, aware that the scheme would be closing at the end of the financial year (31 March). As a result, we needed to move fast to submit the loan application before the deadline and there wasn't time to bring forward a report to the next Council meeting.

As a result, Peter Wheelhouse, Economic Development and Regeneration Manager, sought Councillors' informal approval to submit the loan application and incur expenditure from the Town Hall maintenance budget and Town Hall maintenance EMR. He did this via email. Of the 13 Cllrs who responded, all supported the loan application and agreed to incur expenditure. This gave the Town Clerk and Sarah Williams, Business Manager, the confidence to authorise Nikki to submit the loan application that was subsequently approved.

The loan amount is for £22,845 to cover the cost of solar panels and LED lighting based on quotes obtained from installers. To meet the loan requirements (expressed in £/t CO₂ saved) we could not include the entire project cost within the loan request. Expenditure totalling £5k that did not have an associated carbon saving - architect's fees, planning costs and lighting controls - was therefore excluded from the loan application. The loan is to be repaid in 10 six-monthly instalments, the first due six months after project completion (see table below).

The goal is to have both solar panels and LEDs installed by September 2021 at the latest.

| Item | 2021/22 expenditure | Total expenditure over 5 years |
|--|---------------------|--------------------------------|
| 10 x 6 monthly loan repayments of £2284.50 starting Sept 2021 | £2284.50 | £22,845 |
| Up front expenditure to cover architect's fee and planning costs | £5,000 | £5,000 |
| Total | £7284.50 | £27,845 |

Recommendations

1. Ratify the decision made by the Town Clerk to submit an interest free loan application for £22,845 to Salix to enable the installation of LED lighting and solar panels at the Town Hall.
2. Ratify the decision made by the Town Clerk to authorise expenditure to repay the loan in 10 six-monthly instalments utilising the Town Hall maintenance budget and the Town Hall maintenance EMR.