



Democratic Services

Location: Phase II
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**To: COUNCILLOR MARTIN GODDARD
CABINET MEMBER FOR FINANCE**

c.c. All Members of the Property, Highways and
Transport Select Committee
c.c. Nicola Wyatt – Place Directorate
c.c. Gary Penticost – Place Directorate
c.c. Perry Scott – Corporate Director of Place

Date: 18 April 2023

Non-Key Decision request

Form D

NEW ALLOCATION OF S106 CONTRIBUTIONS 2023/24: Carbon Reduction - Lighting Upgrade at Cedars Car Park, Uxbridge & Blyth Road Car Park, Hayes

Dear Cabinet Member

Attached is a report requesting that a decision be made by you as an individual Cabinet Member. Democratic Services confirm that this is not a key decision, as such, the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 notice period does not apply.

You should take a decision **on or after Wednesday 26 April 2023** in order to meet Constitutional requirements about publication of decisions that are to be made. You may wish to discuss the report with the Corporate Director before it is made. Please indicate your decision on the duplicate memo supplied, and return it to me when you have made your decision. I will then arrange for the formal notice of decision to be published.

Steve Clarke
Democratic Services Officer

Title of Report: New Allocation of S106 Contributions 2023/24: Carbon Reduction – Lighting Upgrade at Cedars Car Park, Uxbridge & Blyth Road Car Park, Hayes

Decision made:

Reasons for your decision: (e.g. as stated in report)

Alternatives considered and rejected: (e.g. as stated in report)

Signed Date.....

Cabinet Member for Finance

NEW ALLOCATION OF S106 CONTRIBUTIONS 2023/24: Carbon Reduction – Lighting Upgrade at Cedars Car Park, Uxbridge & Blyth Road Car Park, Hayes

| | |
|---------------------------|--|
| Cabinet Members | Councillor Martin Goddard |
| Cabinet Portfolios | Cabinet Member for Finance |
| Officer Contact | Nicola Wyatt, Place Directorate Gary Penticost, Place Directorate |
| Papers with report | None. |

HEADLINES

| | |
|---|--|
| Summary | To seek approval to allocate a total of £170,230 from the S106 contributions held at EO/001/554D towards schemes to upgrade the lighting at Cedars Car Park and Blyth Road Car Park to LED intelligent communal lighting system to reduce the Council's carbon footprint and reduce energy consumption, as outlined in the report. |
| Putting our Residents First Delivering on the Council Strategy 2022-2026 | This report supports our ambition for residents / the Council of: Live in a sustainable borough that is carbon neutral. This report supports our commitments to residents of: A Green and Sustainable Borough. |
| Financial Cost | This report seeks to allocate £170,230 from the S106 contributions held by the Council to progress the schemes outlined in this report. The allocation of S106 funding towards this scheme will reduce the call on Council resources to deliver the project. |
| Relevant Select Committee | Property, Highways and Transport Select Committee |
| Ward(s) affected | Hayes Town and Uxbridge |

RECOMMENDATION

That the Cabinet Member for Finance approves the allocation and release of £170,230 from the S106 contribution held by the Council at EO/001/554D, to be used towards upgrading the lighting system at Cedars Car Park (£161,338) & Blyth Road Car Park (£8,892) to LED Communal lighting which will improve energy efficiency and reduce carbon emissions.

Reasons for recommendation

The Cabinet Member will recall the previous capital release decisions in March 2023 to upgrade the LED communal and emergency lighting in both car parks and progress with the works. As mentioned in those decision reports, the projects have been assessed against the Council's carbon offset guidance and are found to be eligible and compliant with the S106 requirements. This will enable such funds to offset the use of the Council's own capital budgets on this project, which is the purpose of this report.

In accordance with the Council Constitution, the allocation of Section 106 (S106) and Section 278 (S278) funds is required to be formally approved by the Cabinet Member for Finance on a case-by-case basis – and any capital release in conjunction with the relevant Cabinet portfolio holder. This report requests the approval for the S106 funds held at the case references detailed in this report to be committed as outlined in this report.

Alternative options considered

The Cabinet Members may agree to fund the scheme and/or suggest alternative projects to which funds could be allocated within the terms of the relevant legal agreements. If the S106 funds are not allocated to an appropriate scheme, the unspent funds may need to be refunded.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

Planning obligations, or S106 agreements, are an established mechanism for mitigating planning effects arising from development proposals. The agreements are usually negotiated within the context of planning applications, between Local Planning Authorities and persons with an interest in the piece of land (owners, leaseholders or developers). They are intended to make development acceptable, which would otherwise be unacceptable in planning terms.

Any S106 monies generated from planning agreements must be spent on their intended purpose and the associated development must contribute to the sustainability of the area by addressing the impacts of the development proposals. As a result, expenditure of S106 funds must relate to a specific development and be in accordance with the corresponding legal agreement. If a contribution is not used for the intended purpose or not spent within the period allocated in the S106 agreement, the monies may need to be returned.

S106 contribution held at case reference EO/001/554D

Details of contribution

A contribution of £392,066.78 (including indexation) was received in two instalments in accordance with a S106 agreement dated 2 October 2019 and relating to the redevelopment of the former Chailey Industrial Estate, Pump Lane, Hayes (planning reference 2102/APP/2018/4231). The funds have been received as a Carbon Offset Contribution and are to be used by the Council towards the provision of offsite carbon reduction measures to mitigate the impact of the development. The funds must be spent within 7 years of receipt (June 2028).

Planning background

On 19 June 2019, planning permission for the redevelopment of the former Chailey Industrial Estate to provide 331 residential units, 710 sqm of ground floor commercial space and provision of communal amenity areas, child play space and parking was considered by the Major Applications Planning Committee. At Committee, officers advised that the proposed development did not meet the required energy reduction target for the scheme. The developer had therefore agreed to provide a financial contribution commensurate with the level of the shortfall, for the Council to secure delivery of carbon dioxide savings elsewhere in the Borough. Planning permission was subsequently approved and the above contribution duly received.

Proposed allocation

A sum of £1,776 from this contribution has been allocated to the Trees for Cities Planting Programme (Cabinet Member Decision 27/01/2022). A further £49,890 has also been allocated towards the Cranford Park Restoration Project (Cabinet Member Decision 02/09/2022) and £111,150 towards a scheme to upgrade lighting at The Granges Car Park (Cabinet Member Decision 04/08/2022). Officers are now requesting that a further sum of £170,230 from this contribution is allocated towards schemes to upgrade lighting at Cedars Car Park and Blyth Road Car Park as outlined below. If approved, this will leave a balance of £59,021 available to be allocated towards another eligible scheme.

Proposed Scheme: Upgrade of lighting at Cedars & Blyth Road Car Parks

These schemes propose to upgrade the LED communal and emergency lighting to Cedars and Blyth Road Car Parks which are both Council owned. The existing lighting has a significant energy demand with an associated high carbon footprint. In accordance with the objectives of the Council's Strategic Climate Action Plan, the car parks have been identified as having scope for improvements to operational requirements to reduce energy demands and the associated carbon footprint. In addition, the installation of LED communal and emergency lighting will provide residents and members of the public with adequate means of escape in the event of a mains failure or emergency, should the location need to be evacuated or experience a power cut. This will ensure the car parks are compliant with the relevant safety regulations.

The installation of the Commulite LED intelligent 24v communal emergency lighting system will assist to reduce the Council's Carbon footprint and will reduce the energy consumption within the car parks. The car parks are open for public use 24/7 and therefore the current lighting is operational 24/7 and is within the top 10 list of corporate sites for high energy usage.

The project effectively has two objectives - carbon reduction and safety. With regards to the former, the carbon savings associated with the Cedars car park project have been calculated as 18.87 tCO₂. The scheme would therefore be eligible for an allocation of £161,338 to be funded from the S106 carbon offset contributions held by the Council. The carbon savings associated with the Blyth Road Project have been calculated as 1.04 tCO₂ and the scheme is therefore eligible for an allocation of £8,892.

Both schemes have been assessed by the Council's Sustainability Manager who has confirmed that the measures as presented would be capable of generating savings commensurate with the level of funding requested.

The total cost of the Cedars Car Park project is £417k for which capital release is in the process of being approved from the 2022/23 Property Works Programme. The £161,338k S106 contribution will be allocated towards capital financing of the scheme and reduce the call on Council resources to deliver the project. The breakdown of the costs of the recommended tender, and the overall costs of the installation of the LED communal and emergency lighting, are shown in Table 1 below.

Table 1: Cost Plan Cedars Car Park

| Project Cost Plan | Cost (£) |
|---------------------------|-----------------|
| Works Costs | 362,870 |
| Project Contingency (10%) | 36,287 |
| FM Management fees (5%) | 18,144 |
| Total | 417,301 |

The total cost of the Blyth Road Car Park project is £38k. The Capital release for this scheme is in the process of being approved from the 2022/23 Property Works Programme. The £8,892 S106 contribution will be allocated towards capital financing of the scheme and reduce the call on Council resources to deliver the project. The overall costs of the scheme are outlined in Table 2 below

Table 2: Cost Plan Blyth Road Car Park

| Project Cost Plan | Cost (£) |
|---------------------------|-----------------|
| Works Costs | 33,266 |
| Project Contingency (10%) | 3,327 |
| FM Management fees (5%) | 1663 |
| Total | 38,256 |

Financial Implications

The report requests the allocation of £170k from the S106 contribution held at EO/001/554D relating to Chailey Industrial Estate, Pump Lane, Hayes.

The S106 contribution is to be used towards upgrading the lighting system at Cedars Car Park and Blyth Road Car Park for LED lights to improve energy efficiency. The total cost of each project is £418k and £38k respectively for which separate capital release approvals have been sought from the 2022/23 Property Works Programme. The £170k S106 contribution will be allocated towards capital financing of the schemes and reduce the call on Council resources to deliver the project.

The allocation of the S106 contribution meets the conditions as stipulated in the S106 agreement.

The S106 contribution held at EO/001/554D currently has a balance available to allocate of £229k from which the £170k is proposed to be allocated, with the remaining S106 contribution of £59k being subject to the S106 allocation process.

RESIDENT BENEFIT & CONSULTATION

The benefit or impact upon residents, service users and communities

The recommendation will enable external funds to be spent to maximum effect to provide viable improvements for the benefit of local communities.

Consultation carried out or required

Consultations will be carried out as part of individual project development.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate finance concurs with the financial implications above, noting that the allocation of £170k S106 monies as carbon offset contribution is in accordance with the schemes detailed above, which will deliver carbon reduction savings. The S106 contribution will also reduce the cost of £455k which is to be financed from Council resources. The £445k was the subject of separate capital release reports which has been approved for release from the 2022/23 Property Works Programme.

Corporate Finance further notes that this investment is in line with the Council's commitment to becoming carbon neutral by 2030 and investing in energy saving measures to reduce carbon across the property portfolio. The reduction in energy consumption will help mitigate cost pressures on energy budgets.

Legal

Legal Services has considered the contents of the Section 106 agreement referred to in the report and concludes that the recommendation presented is consistent with the terms of the agreement.

Infrastructure / Asset Management

Asset Management has considered the contents of the S106 agreement and supports the proposals to enhance and improve the Council car park by upgrading the LED communal and emergency lights. This will reduce energy costs and the installation of LED communal and emergency lighting will provide residents and members of the public with adequate means of escape in the event of a mains failure or emergency, should the location need to be evacuated or experience a power cut.

BACKGROUND PAPERS

- Planning Obligations Supplementary Planning Document Adopted July 2008 and amended July 2014
- Cabinet Member Report March 2023 – Property Works Programme Capital Budget 2022/2023: Fire Safety Works Programme – Installation of LED communal lighting system

to reduce the Councils carbon footprint and energy consumption at Cedars Car Park -
Release No 17

- Cabinet Member Report March 2023 – Property Works Programme Capital Budget 2022/2023: Fire Safety Works Programme – Installation of LED communal lighting system to reduce the Councils carbon footprint and energy consumption at Blyth Road Car Park -
Release No 16