

**Democratic Services**

Location: Phase II
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To: **OUNCILLOR MARTIN GODDARD
CABINET MEMBER FOR FINANCE**
c.c. All Members of the Finance and Corporate Services Select Committee
c.c. Nicola Wyatt / Dave Grimshaw, Place Directorate
c.c. Perry Scott, Corporate Director of Place
Date: 27 July 2022

Non-Key Decision request**Form D****NEW ALLOCATION OF S106 CONTRIBUTIONS 2022/23: Carbon Reduction – Lighting Upgrade at The Grainges Car Park, Uxbridge**

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 Thursday 4 August 2022** 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.

Liz Penny
Democratic Services Officer

Title of Report: New Allocation of S106 Contributions 2022/23: Carbon Reduction – Lighting Upgrade at The Grainges Car Park, Uxbridge

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 2022/23: Carbon Reduction – Lighting Upgrade at The Grainges Car Park, Uxbridge

Cabinet Members	Councillor Martin Goddard
Cabinet Portfolios	Finance
Officer Contact	Nicola Wyatt / Dave Grimshaw, Place Directorate
Papers with report	None

HEADLINES

Summary	To seek approval to allocate a total of £111,150k from the s106 contributions held at EO/001/554D towards a scheme to upgrade the lighting at The Grainges Car Park to LED, as outlined in the report.
Putting our Residents First	This report supports the Council objective of strong financial management.
Financial Cost	This report seeks to allocate £111,150 from the s106 contributions held by the Council to progress the scheme 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	Finance and Corporate Services
Ward(s) affected	Uxbridge
Portfolio Member approval	Councillor Jonathan Bianco Councillor Eddie Lavery

RECOMMENDATION

That the Cabinet Member for Finance approves the allocation of £111,150 from the S106 contribution held by the Council at EO/001/554D, to be used towards upgrading the lighting system at The Grainges Car Park to LED which will improve energy efficiency and reduce carbon emissions.

Reasons for recommendation

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 1331 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 total 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 requested towards the Cranford Park Restoration Project (subject to formal approval). Officers are now requesting that a further sum of £111,150 from this contribution is allocated towards a scheme to upgrade lighting at The Granges Car Park as outlined in paras 6-10 below. If approved, this will leave a balance of £229,250 available to be allocated towards another eligible scheme.

Proposed Scheme: The Granges Car Park, Uxbridge - upgrade of lighting to LED

This scheme proposes to upgrade the LED communal and emergency lighting to The Granges Car Park, a Council owned car park. 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 park has 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 park is 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 park. The Car Park is 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 project have been calculated as 39tCO₂. The scheme would therefore be eligible for an allocation of £111,150 to be funded from the S106 carbon offset contributions held by the Council.

The scheme has been assessed by the Council's Sustainability Officer who has confirmed that the measures as described would be capable of generating savings commensurate with the level of funding requested.

The total cost of the project is £307k for which capital release has recently been approved from the 2022/23 Property Works Programme. The £111k 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

Description	Cost (£)
Tendered works costs	267,308
Project contingency (10%)	26,731
FM Management fees (5%)	13,365
Total	£307,404

Financial Implications

The report requests the allocation of £111k 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 The Grainges Car Park for LED lights to improve energy efficiency. The total cost of the project is £307k for which capital release has recently been approved from the 2022/23 Property Works Programme. The £111k S106 contribution will be allocated towards capital financing of the scheme 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 £390k from which the £111k is proposed to be allocated, with the remaining S106 contribution of £279k 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 £111k S106 monies as carbon offset contribution is in accordance with the scheme which will deliver carbon reduction savings. The S106 contribution will also reduce the cost of the £307k scheme to be financed from Council resources.

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 June 2022 – Property Works Programme Capital Budget 2022/2023: Fire Safety Works Programme – Installation of LED communal lighting system to reduce carbon emissions at The Grainges Car Park - Release No 5.