

# Report

Report to:	<b>Climate Change and Sustainability Committee</b>
Date of Meeting:	<b>4 November 2020</b>
Report by:	<b>Executive Director (Housing and Technical Resources)</b>

Subject:	<b>Central Energy Efficiency Fund</b>
----------	---------------------------------------

## 1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ update the Committee with the work carried out through the Central Energy Efficiency Fund (CEEF)

## 2. Recommendations

2.1. The Committee is asked to approve the following recommendations:-

- (1) that the progress made within the Central Energy Efficiency Fund programme be noted.

## 3. Background

- 3.1. The Central Energy Efficiency Fund (CEEF) was launched in 2004 by the Scottish Government to support the delivery of energy efficiency and renewable energy measures to reduce carbon emissions in the Scottish Public Sector.
- 3.2. A bid for funding, to create a CEEF programme, was submitted to the Scottish Executive by Property Services during 2004/2005, with the Council receiving the sum of £862,574 to establish the fund. This was augmented by a contribution of £731,000 from the Council's Capital Programme, giving a total fund of £1,593,574.
- 3.3. CEEF is a revolving fund for implementing energy efficiency projects, which was established to achieve energy efficiency and carbon emissions reductions, in Council General Service's properties. Each project was initially evaluated to ensure it met the Scottish Government's Energy Efficiency Low Carbon Economy Unit CEEF criteria and was then appraised using Scottish Government software to calculate the estimated energy and financial savings. Projects meeting the criteria were initially funded through the CEEF fund and Resources reimburse the fund annually, using projected savings in expenditure. The cost of each project is based on a total cost to deliver the project.
- 3.4. The Scottish Government confirmed to Local Authorities that the terms and conditions of the CEEF fund expired on 31 March 2016, after which there was no obligation to report to the Scottish Government regarding carbon, cost and energy savings or seek approval for installing measures relating to this finance. However, it was agreed at the Corporate Management Team in April 2017 that the Council would continue with the programme.

## 4. CEEF Progress

- 4.1. Since the start of the CEEF Programme in 2005/06, the revolving fund has been responsible for a total of £4.875m of investment, up to and including 2019/20, delivering a

total of 359 energy efficiency projects. Taking the annual payback as an indicator of the saving from the date the work was complete gives us a total saving achieved to date of £7.469 million and estimated lifetime savings (not index linked) of £19.5 million.

4.2. These savings have been delivered through the installation of the following range of technologies within Council properties:-

- ◆ Voltage optimisers
- ◆ Insulation and draught proofing
- ◆ Secondary glazing
- ◆ Solar Panels
- ◆ Combined Heating and Power boilers (CHP)
- ◆ LED Lighting
- ◆ Water Heater timers
- ◆ BEMS Controls
- ◆ Heat Recovery systems

4.3. Potential projects are identified by Property Services or Resources and an assessment made to establish if the measures would result in an energy reduction and consequential saving in costs, with a reasonable pay-back period.

## **5. Employee Implications**

5.1. There are no employee implications.

## **6. Financial Implications**

6.1. Finance and Corporate Resources have confirmed that the amount available within the CEEF fund is approximately £700,000, which reflects paybacks received from Resources up to the end of financial year 2019/2020, along with projected paybacks for 2020/21

## **7. Climate Change, Sustainability and Environmental Implications**

7.1. CEEF is a fund for implementing projects which will achieve energy efficiency and carbon emissions reductions in Council General Services' properties.

## **8. Other Implications**

8.1. Failure to meet sustainable development and climate change objectives is one of the Council's top risks. Increasing the energy efficiency within Council properties will help meet these objectives.

## **9. Equality Impact Assessment and Consultation Arrangements**

9.1. The Sustainable Development and Climate Change strategy has undertaken a public consultation, an equalities impact assessment and a fairer Scotland assessment.

**Danny Lowe**

**Executive Director (Housing and Technical Resources)**

20 October 2020

## **Link(s) to Council Values/Ambitions/Objectives**

- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities

**Previous References**

- ◆ None

**List of Background Papers**

- ◆ Carbon Management Plan 2018
- ◆ Sustainable Development Strategy 2017-2022

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact :-

Name: Frank McCafferty

Designation: Head of Property Services

Ext: (Tel: 01698.454073)

E-mail: [frank.mccafferty@southlanarkshire.gov.uk](mailto:frank.mccafferty@southlanarkshire.gov.uk)