



Item 6.1 - Business bulletin

Finance and Resources Committee

3.00pm, Tuesday 4 December 2018

Dean of Guild Court Room, City Chambers, High Street, Edinburgh

Finance and Resources Committee

| Convener: | Members: | Contact: |
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| <p>Convener Cllr Alasdair Rankin</p>  <p>Vice – Convener Councillor Donaldson</p>  | <ul style="list-style-type: none"> ▪ Councillor Gordon ▪ Councillor Campbell ▪ Councillor Corbett ▪ Councillor Hutchison ▪ Councillor Johnston ▪ Councillor Miller ▪ Councillor Neil Ross ▪ Councillor Watt ▪ Councillor Whyte | <p>Veronica MacMillan Tel: 0131 529 4283</p> <p>Liam MacDonald Service Policy Advisor Tel: 469 3174</p> |

| Recent news | Background |
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| <p>Spend to Save Fund – scheme progress</p> <p>At the Committee’s meeting on 16 August, members asked that an update be provided on projects previously supported through the Spend to Save scheme. While, by extension, the projects concerned are at varying stages of completion, progress on recently-supported initiatives is as follows:</p> <p>RE:FIT (up to £0.975m approved in April 2016)</p> <p>The Council initiated a £2.654m energy retrofit programme in ten of its key buildings (eight schools, the City Chambers and the Usher Hall) under the London RE:FIT Framework. The RE:FIT scheme has been designed to help public sector organisations achieve substantial financial savings, improve the energy performance of their buildings and reduce their carbon footprint. Spend to Save funding of up to £0.975m was approved to supplement available investment from SALIX and the former Central Energy Efficiency Fund (CEEF).</p> <p>The project is now delivering annual financial savings in excess of £0.300m and is anticipated to reduce CO₂ emissions by over 1,100</p> | <p>Hugh Dunn, Head of Finance</p> <p>Tel: 469 3150</p> <p>Email: hugh.dunn@edinburgh.gov.uk</p> |

tonnes a year. These savings will be used to repay the Spend to Save element (which, subject to confirmation of the final outturn, is around £0.6m) within the approved timescales, with opportunities to facilitate quicker repayment currently being considered.

Edinburgh International Climbing Arena – sewer connection (£0.437m approved in November 2017)

The sewerage connection was made in mid-July 2018. The construction took a little longer than planned, primarily due to issues with the part-closure of the road where the connection was made to the main sewer. Costs are, however, anticipated to come in a little below the estimate underpinning the level of approval.

The expected benefits have been realised, with savings coming from not having to pay for the effluent tank being emptied and disposed of multiple times a day.

Streetlight LED conversion (£0.768m approved in February 2018)

A contract has been awarded for the conversion of some 54,000 street lights across Edinburgh to energy-efficient lanterns, along with the associated fitting of telecells (wireless controls). The programme will deliver a sustained reduction in electricity consumption, energy costs and carbon use, as well as reducing lantern maintenance, replacement and waste disposal costs. Short-term Spend to Save funding of £0.768m is required to reflect timing differences between the incurring of capital expenditure and the delivery of resultant revenue savings.

Amey, the successful contractor, has begun fitting telecells and will shortly commence lantern installation. The overall scheme budget (£24.5m) and completion timescale (anticipated in 2021/22) remain as reported to the Committee on 23 January 2018. As the project is still in its early stages, there have been no associated material financial or other benefits realised as yet.

Craiglockhart Outdoor Tennis (£0.285m approved in March 2018)

The courts opened in early September and the finalised scheme outturn is anticipated to be in line with the level of expenditure underpinning the original approval.

Given the recent opening, it is too early to judge how well income is performing against the estimates as it takes time to build up a regular player base and with the opening coming at a time when tennis is less in the public consciousness, it may be that those player numbers take some months to materialise. Initial user feedback on the court surfaces is, however, excellent.

LED in public spaces (£0.300m approved in June 2018)

To date, just under £0.020m of projects have been commissioned, with cost estimates awaited for a number of further schemes. A range of other potential projects is under active consideration, with the full Spend to Save allocation expected to be utilised during 2019/20.

Given the state of scheme implementation, it is relatively early to assess resulting financial and environmental benefits. In view of the use of proven technology, however, subject to the appropriateness of

detailed assumptions on lamp ratings and run times, savings are anticipated to be delivered in line with the business case.

[Usher Hall Public Address System](#) (£0.080m approved in June 2018)

The scheme is progressing as planned, having gone out to tender in October 2018, with no change to associated cost or timescales.

[Usher Hall Marketing Poster Boards](#) (£0.120m approved in June 2018)

The scheme requires planning approval, which is being sought, and this has delayed implementation somewhat. There is, however, no change to the anticipated cost or resulting benefits at this stage.

[Lagganlia Snow Sports](#) (£0.040m approved in August 2018)

Commissioning is now being progressed and original timescale and cost for completion is still expected.

Forthcoming activities

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