

Cherwell District Council

Executive

6 October 2014

Proposal to Install Solar PV Panels at Hanwell Fields Community Centre, Banbury

Report of Director of Community & Environment

This report is public

Purpose of report

To recommend the installation of solar PV panels on the roof of Hanwell Fields Community Centre, Rotary Way, Banbury.

To recommend the use of a capital fund to finance the solar PV installation.

1.0 Recommendations

The meeting is recommended:

- 1.1 To approve the installation of solar PV panels on the roof of Hanwell Fields Community Centre, Rotary Way, Banbury.
- 1.2 To approve the use of capital (ref:50211" Hanwell Fields Community Development Fund") to finance the solar PV installation.
- 1.3 To approve the division of resultant income as described in paragraph 3.6 below.

2.0 Introduction

- 2.1 Hanwell Fields Community Centre (HFCC) serves Hanwell Fields and surrounding areas, in the Hardwick Ward of Banbury.
- 2.2 HFCC is owned by Cherwell District Council (asset reference COMU/00010) and operated by Hanwell Fields Community Association. The current lease is due to expire in September 2015. It is anticipated that the lease will be renewed.
- 2.3 HFCC is relatively large facility (approx. 600m²), over two floors. The ground floor (main hall, lobby, kitchen, function room) is used for general hire and a range of community activities, clubs and classes. The first floor is a "youth wing" where

activities such as a youth club, coffee mornings, mums and tots club, fathers' group, ballet and karate classes are held.

- 2.4 Although HFCC is well used, it has particularly high running costs, due to its size and design. This means that the community association struggles to financially break even (in 2013/14 outgoings exceeded income by £1,218).
- 2.5 Hanwell Fields Community Association (HFCA) has expressed interest in having a Solar PV system installed at the Hanwell Fields Community Centre (HFCC) and officers have been working with the association to find a way that this can be achieved.
- 2.6 The project would provide the association with a reduction in energy bills and an annual income via the feed in tariff (FiT). These would support the Association in deriving adequate income to remain viable and sustainable and continue to provide the local community with a much needed resource.

3.0 Report Details

- 3.1 A structural survey has been undertaken and the advice is that the weight from the proposed solar panels will not overload any of the existing structural members, including the zed purlins, main steelwork or foundations.
- 3.2 The minimum standard required to qualify the installation for feed in tariff is a building energy rating of "D". An independent energy audit has awarded HFCC a rating of "B".
- 3.3 When Hanwell Fields was being developed, the Council selected the social housing provider through a form of tender process. The winning bidder (in 2003) was Chiltern Hundreds Housing Association. Part of its offer was a £1,000 per dwelling contribution for CDC to use on Community Development at Hanwell Fields. This was outside of, and additional to the s.106 agreement with the developer. The total "pot" thus created was £135,000.
- 3.4 The Centre became operational in 2006. During the first three years the Community Development Fund was drawn on to hold community events, establish the youth club, to buy equipment for the centre and to cover running costs whilst the centre's income streams (from bookings) were becoming established.
- 3.5 Currently there is approximately £69,000 remaining in the Community Development fund. Paradigm Housing Ltd (successor organisation to Chiltern Hundreds Housing Association) has confirmed that it is happy for the solar panels to be funded from the community development fund and is keen to be associated with the project.
- 3.6 CDC's Carbon & Energy Officer estimates that based on a 120 panel, 30kw scheme costing £35,000, the annual income from feed in tariff will be £3,093 and the annual saving on electricity bills will be £829. This provides a payback period of just less than nine years.

- 3.7 It is proposed that CDC should retain one third of the feed in tariff income to accumulate a reserve for maintenance and the eventual replacement of the inverter which has a design life of 10 years (approximately half that of the panels). Also, to cover increased insurance costs of the building. The remaining two thirds of the FiT income would be passed on to the Community Association.

4.0 Conclusion and Reasons for Recommendations

- 4.1 The proposed project will assist the HFCA to remain solvent and continue to provide and facilitate valued community services. For this reason it is legitimate use of a fund intended to promote community development.
- 4.2 At minimal cost to the District Council, this project will serve as a test case for provision of solar panels in CDC's other community centres.
- 4.3 The proposed project will reduce the carbon footprint of this CDC owned facility.

5.0 Consultation

Hanwell Fields Community
Association
Paradigm Housing Association

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: To amend the proposed split of income from the Feed in Tariff
Reason: Less than one third of the income is less likely to cover the council's maintenance costs.

Option 2: To reject the recommendations

7.0 Implications

Financial and Resource Implications

- 7.1 Apart from Officer time, the purchase and installation costs of the proposed project are covered from the Community Development Fund. The Council's own capital reserves are unaffected.

7.2 Maintenance costs will be covered by the maintenance reserve derived from CDC's retained portion of the FiT income.

Comments checked by: Martin Henry, Director of Resources

Legal Implications

7.2 A legal agreement will need to be added to the lease, to formalise the split of FiT income.

Comments checked by: Kevin Lane, Head of Law & Governance

8.0 Decision Information

Key Decision **No**

Financial Threshold Met: **No**

Community Impact Threshold Met: **No**

Wards Affected

Banbury Hardwick

Links to Corporate Plan and Policy Framework

District of Opportunity
A Cleaner, Greener District

Lead Councillor

Councillor George Reynolds, Deputy Leader

Document Information

Appendix No	Title
None	
Background Papers	
None	
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**Contact
Information**

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