

**Report of Sustainable Energy and Air Quality Team**

**Report to Director of Housing and Resources**

**Date: 13<sup>th</sup> August 2019**

**Subject: District Heating Gas Connection**

Are specific electoral wards affected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If yes, name(s) of ward(s):	Burmantofts & Richmond Hill
Has consultation been carried out?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Will the decision be open for call-in?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If relevant, access to information procedure rule number: 10.4(3)	
Appendix number: 1	

**Summary**

**1. Main issues**

1. As part of the construction of the council's Leeds Pipes District Heating Network (DHN) a new energy centre has been constructed at Saxton Gardens, which contains back up gas fired boilers for providing network resilience. The capacity of the boilers requires a new medium pressure gas supply to be installed to ensure there is sufficient gas for them to operate.
2. Whilst an order has been placed with Northern Gas Networks to secure the installation of the new gas mains, the preferred route for the new gas mains crosses a site in private ownership.
3. The council has agreed to undertake a land exchange with the site owner to facilitate the installation, which will also unlock the site for the development of affordable housing.
4. To minimise risk to the DHN project, the council needs to complete the land exchange to permit the gas mains to be installed as quickly as possible.

**2. Best Council Plan Implications** (click [here](#) for the latest version of the Best Council Plan)

- The completion of the council's District Heating Network will help support the priority of tackling poverty, by providing low cost, controllable and more comfortable heating to vulnerable residents in council owned multi-storey flats;

- The DHN will also provide a flagship green infrastructure project, which provides low carbon heat to a range of residential and commercial customers in and around the city centre;
- The agreed land exchange will unlock a site for housing development, supporting the priority of providing affordable homes in the right areas.

### **3. Resource Implications**

- These are set out in confidential appendix 1.

### **Recommendations**

The Director of Resources and Housing is to note the content of this report and approves the recommendations set out in confidential appendix 1.

## **1. Purpose of this report**

- 1.1 To set out the risks and issues associated with the installation of a medium pressure gas mains to the Saxton Gardens Energy Centre and secure agreement to address these risks in order to secure a gas supply.

## **2. Background information**

- 2.1 The Leeds Pipes District Heating Network (DHN) incorporates a newly constructed Energy Centre (EC) at Saxton Gardens. The EC contains gas fired boilers that will operate as a resilient source of heat in periods when the Recycling and Energy Recovery Facility (RERF) is unavailable, and to provide additional heat in periods of high demand.
- 2.2 Whilst there is an existing gas supply in place at the EC the large capacity of the new back up boilers requires a medium pressure gas connection to be made to provide sufficient volumes of gas. An order was placed with Northern Gas networks (NGN) to secure this connection, with a preferred route for the new gas mains proposed.
- 2.3 The preferred route involves the gas mains being installed across a site in private ownership on Upper Accommodation Road, requiring consent to be given by the landowner prior to installation by NGN.
- 2.4 To facilitate the installation of the gas mains across the site, the DHN project team have been working with the council's Land and Property team.

## **3. Main issues**

- 3.1 The site on Upper Accommodation Road was allocated for housing in Phase 1 of the draft Site Allocations Plan (SAP) but has not been brought forward for development by the owner.
- 3.2 To enable the installation it was agreed by the Director of City Development in a report dated the 23<sup>rd</sup> October 2018 entitled, "Former Richmond Hill Leisure Centre & Land at Upper Accommodation Road, LS9" that this would take place through a wider arrangement, whereby the council exchanges sites with the site owner. This involves the council exchanging the former Richmond Hill Leisure Centre for the site on Upper Accommodation Road.
- 3.3 This has the benefit of:
- Enabling the installation of the medium pressure gas mains for the DHN;
  - Unlocking the site for housing development, which is proposed to be sold to a registered affordable housing developer;
  - Assisting with the delivery of apprenticeships through the use of the former Richmond Hill Leisure Centre;
  - Providing a capital receipt at market value to the Council for the former Richmond Hill Leisure Centre, a property which is surplus to council requirements.
- 3.4 Phase 1 of the council's DHN is nearing completion and as such there is a requirement for the Saxton Gardens EC to be able to supply resilience.

3.5 As the number of customers connected and the demand on the network increases, there is a need to ensure the new gas connection is completed at the earliest opportunity, to ensure continuity of heat supply.

#### **4. Corporate considerations**

##### **4.1 Consultation and engagement**

4.1.1 The Land and Property team consulted with the Director of City Development regarding the terms of the land exchange, along with ward members who confirmed their support for the proposal.

4.1.2 NGN have been consulted with regarding alternative route options for the gas supply along with the council's Highways Services.

##### **4.2 Equality and diversity / cohesion and integration**

4.2.1 There are no equality, diversity, cohesion or integration implications arising from this proposal.

##### **4.3 Council policies and the Best Council Plan**

4.3.1 The completion of the council's District Heating Network will help support the priority of tackling poverty, by providing lower cost heat to council residents in multi-storey flats;

4.3.2 The DHN will also provide a flagship green infrastructure project providing low carbon heat to customers in and around the city centre;

4.3.3 The land exchange to facilitate the gas connection will unlock a site for development, supporting the priority of providing affordable homes.

##### Climate Emergency

4.3.4 Using waste heat generated at the council's RERF, the DHN will contribute to a reduction in the city's carbon footprint by replacing gas boilers that would ordinarily provide heat and hot water to residents and businesses in the city centre.

##### **4.4 Resources, procurement and value for money**

4.4.1 The report to the Director of City Development in dated the 23<sup>rd</sup> October 2018 entitled, "Former Richmond Hill Leisure Centre & Land at Upper Accommodation Road, LS9" set out the details regarding resources, procurement and value for money associated with the land exchange.

4.4.2 This is updated in the Confidential Appendix to this report.

##### **4.5 Legal implications, access to information, and call-in**

4.5.1 The proposal constitutes a significant operation decision and is therefore not subject to call in.

##### **4.6 Risk management**

- 4.6.1 The DHN is nearing completion with heat already being supplied to customers through heat generated at the RERF. As the number of connected customers increases and the level of heat demand rises, there is a need to ensure that there is adequate back up heat provision for any periods of downtime at the RERF.
- 4.6.2 Securing the medium pressure gas connection via the preferred route is therefore important in terms of maintaining heat supply and reducing costs associated with the use of any temporary boilers that may be required for resilience until the gas supply is operational.

## **5. Conclusions**

- 5.1 The Saxton Gardens Energy Centre is a key element of the council's DHN, providing the resilient heat supply. Securing a medium pressure gas connection to the EC is essential to ensure that the network can provide resilient heat as the number of customers and volume of demand increases.
- 5.2 With an order secured with NGN, the preferred route for the gas mains remains to install the supply across a site in private ownership. Enabling a land exchange between the council and site owner remains the preferred option of securing a supply in the shortest possible timescales.

## **6. Recommendations**

- 6.1 The Director of Resources and Housing is to note the content of this report and approves the recommendations set out in confidential appendix 1.

## **7. Background documents<sup>1</sup>**

- 7.1 None.

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<sup>1</sup> The background documents listed in this section are available to download from the council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.