

# Transitioning to a Low Carbon Future with Salix Finance

**All-Energy Dcarbonise – 2022**

Heather Jones & Lillian Harrison

# Who is Salix?

- Non-departmental public body
- Setup in 2004
- Deliver government funding to the public sector to reduce carbon emissions, improve energy efficiency & lower energy bills
- Funded by



Department for  
Business, Energy  
& Industrial Strategy



Department  
for Education



[salixfinance.co.uk](https://salixfinance.co.uk)



# How Salix funding works

# Our funding

- **2 types of funding:** Grant and interest-free loan funding
- **Over 100 technologies:** LED lighting, insulation, heat pumps and solar PV



Annual savings

**£264 million**



Estimated annual tCO<sub>2</sub>e

**1,044,000 tonnes**



# Our funding

## Grant



Department for  
Business, Energy  
& Industrial Strategy

- *Public Sector Decarbonisation Scheme*
- *Public Sector Low Carbon Skills Fund*
- Heat Decarbonisation Focus

## Loans



- Interest-free loans
  - One-off loan
  - Recycling Fund
- Energy Efficiency focus

# Salix Funding Model

salix



Salix  
funding



Energy  
Efficiency  
project

Client & Technical  
Support



Financial and  
Carbon  
Savings

# Salix Funding Model



# Salix Finance in Scotland



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# Green Public Sector Estates Decarbonisation Scheme



Scottish Government  
Riaghaltas na h-Alba  
gov.scot

- Funded by Scottish Government
- £95m, over the next 5 years
- Decarbonisation of Scotland's public sector estate and contribute to climate change and net zero targets.
- 3 components,
  - **Salix delivers the Scottish Public Sector Energy Efficiency Loan Scheme**
  - Scottish Central Government Energy Efficiency Grant Fund
  - Scottish Public Sector Non-Domestic Energy Efficiency Frameworks (NDEEF) and Project Support Unit (PSU).



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# Scotland Loan Scheme Criteria

- Available to Local Authorities & Schools, Universities, Arms-Length External Organisations
- **Carbon** - Up to £305 per tonne of CO<sub>2</sub>e saved
- **Financial** - 12 Year Payback (option to extend on a case-by-case basis)
- **Match funding** - Salix fund up to 75% of project costs, 25% match funding by the public sector

# Eligible Projects and Technologies

- Over 120 eligible technologies, including Renewables
- Estate-wide retrofit
- Whole building retrofit
- Scottish Public Sector Non-Domestic Energy Efficiency Frameworks (NDEEF)
- Dedicated in house client and technical support
  - ✓ Application Form
    - ✓ Energy cost (p)
    - ✓ Project technology
    - ✓ Consumption (kwh)
    - ✓ Technology Cost (£)
  - ✓ Technical Specifications
  - ✓ Supporting Calculations

Total Salix Funding Requested	Total Project Value	Total Financial Savings	Payback in Years	Total tCO <sub>2</sub> e pa	£/tCO <sub>2</sub> e LT	Compliance
£3,885,000.00	£3,885,000.00	£392,850	9.89	1,048.09	200.64	Compliant

# Project Examples



# Highlands Council – Recycling Fund

## Loan value

## Annual carbon saving

## Annual financial saving

- Total Recycling Fund: £9.5m
- 50 Sites including Schools, Council buildings and High Life Highland sites
- Single technology roll-out estate wide
- Project Technologies include:
  - LED Lighting & Controls
  - Hydro Power
  - Solar PV
  - Boiler replacements



*Hydro Ness*



# Edinburgh Leisure – Recycling Fund

## Total project value

- Worked with Salix since 2016, first through the one-off loans scheme
- Opened a Recycling Fund in 2019-20
- Installed over 1,100 LEDs reducing energy usage, carbon emissions and energy costs
- Improving customer experience.
- Other projects include: installing 2 CHP systems and upgrading energy intensive pool pumps

## Annual carbon savings

## Annual financial savings

*"Salix Finance has played a crucial part in helping us achieve our carbon reduction goals. Since opening the Recycling Fund we have invested over £700k in energy efficiency projects, contributing considerably to our 60% reduction to our carbon footprint since our baseline year."* –

***Fiona Harvey, Energy and Sustainability Manager at Edinburgh Leisure***



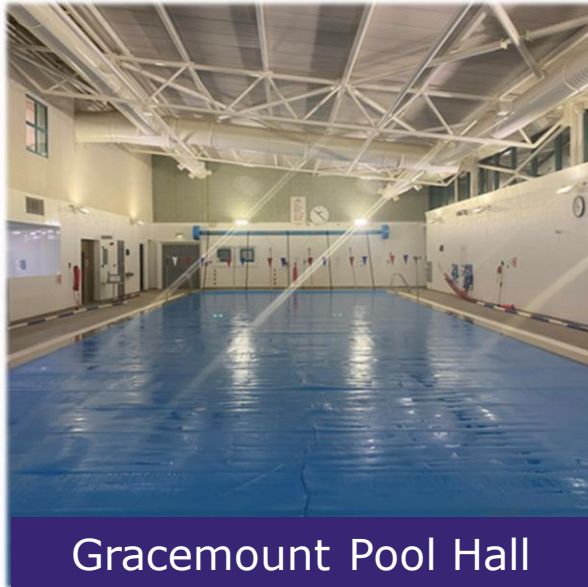


# Edinburgh Leisure – Recycling Fund

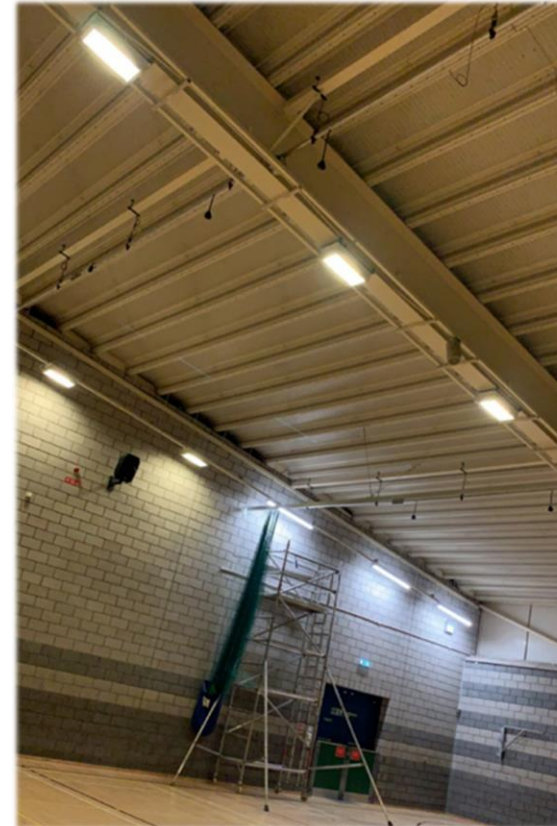
**Total project value**

**Annual carbon savings**

**Annual financial savings**



Gracemount Pool Hall



Gracemount Sports Hall



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# Aberystwyth University – Wales Funding Programme

## Loan value

## Annual carbon saving

## Annual financial saving

- Innovative solar array project
- The university's green strategy also included the installation of LED lighting upgrades, building energy management systems and pipework insulation.
- 4,500 solar panels will generate 25 per cent of Penglais Campus's annual electricity requirements.
- Projected that £13m will be saved over the lifetime of the project.





# Bedford College – Public Sector Decarbonisation Scheme (PSDS)

## Grant value

## Annual carbon saving

## Annual financial saving

- PSDS grant funding.
- Installation of water source heat pump (WSHP) at Brundtland Building which is licenced to take water from the nearby Ouse River.
- Heat pump will work as main heating system.
- Building set to become net zero as a result of upgrades.
- Technologies bring college closer to 2050 net zero goal.



# Hull University Teaching Hospitals – Public Sector Decarbonisation Scheme (PSDS)

## Grant value

## Annual carbon saving

## Annual financial saving

- 'Zero Thirty' agenda in place to become carbon neutral by 2030, ten years ahead of NHS England's net zero target.
- 11,000 solar panels installed as part of 'Field of Dreams' project
- Upgraded Building Management Systems (BMS).
- Switch to sustainable suppliers, use of electric vehicles and installation of charging points.



# Leeds City Council – Public Sector Decarbonisation Scheme (PSDS)

## Grant value

## Annual carbon saving

## Annual financial saving

- New technologies installed in over 70 public buildings including 35 leisure centres, 32 primary schools, 2 town halls, City Museum and Central Library
- Leeds set to halve carbon footprint by 2025
  - LED Lighting
  - Household waste powered district heating network
  - Solar PV
  - Heat pumps



# Thank you for listening

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