

# 100% INTEREST FREE CAPITAL FINANCE LOANS

An Introduction  
to Salix Finance:  
Further Education  
Colleges Fund

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Client Support Officer

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Technical Services Manager



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# Agenda

- ✓ Background to Salix
- ✓ Salix College Energy Fund
- ✓ Case Study: James Butterfield from Darlington College
- ✓ Knowledge Share
- ✓ Salix Application Process
- ✓ Q&A



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# Background to Salix



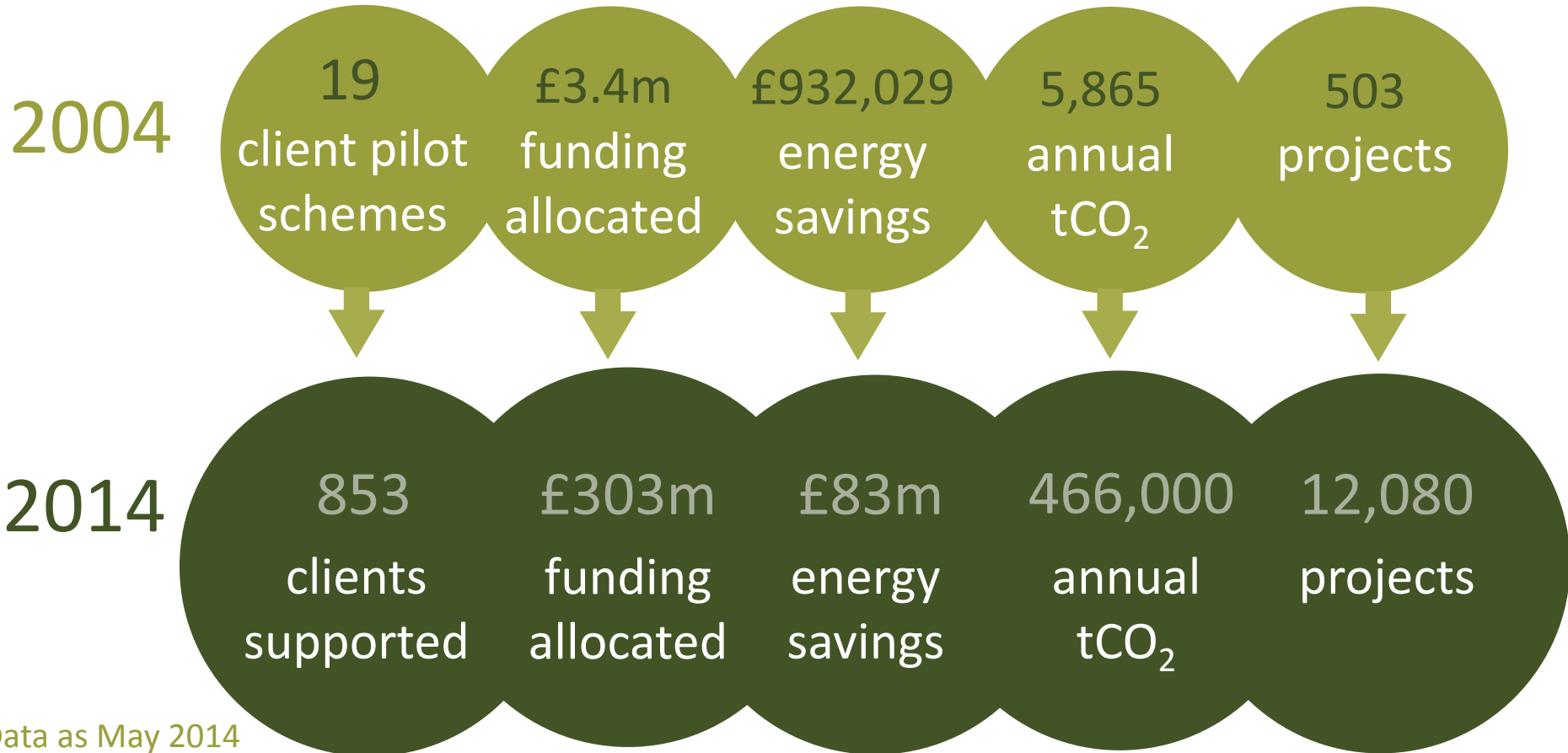
# Who we are

- ✓ Established in 2004
- ✓ Independent, publicly funded, not-for-profit company
- ✓ 100% interest-free capital finance for the public sector
- ✓ Funded by DECC, DfE, Scottish Govt, Welsh Govt
- ✓ Supporting Higher and Further Education Establishments, Local Authorities, Schools, NHS Trusts and Emergency Services throughout England, Scotland and Wales



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# Growth from 2004 - 2014



Data as May 2014

# Salix College Energy Fund



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# Salix and Further Education

## Work in the FE sector since 2004

- ✓ Worked with 201 Colleges in England, Scotland and Wales
- ✓ Funded 1,482 projects worth £31 million in FE Sector
- ✓ Lifetime savings of approximately £81 million 527,873 tonnes of CO<sub>2</sub>



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# Salix College Energy Fund

- ✓ In partnership with the EAUC and supported by the AoC
- ✓ £5million of funding for Further Education Colleges in England, Scotland and Wales
- ✓ Funding intended to help FE College reduce carbon emissions and create financial savings





# Eligibility and Criteria

Any FE College who receives a majority of their income directly from the public sector can apply for funding

## Project Compliance Criteria

- ✓ Up to a 5 year payback period Note 1
- ✓ Less than £100 per tonne of CO<sub>2</sub> over the lifetime of the project

Note 1 – Where projects exceed the maximum payback criteria, applicants are welcomed to contribute to the overall cost in order to make the project compliant

# Technologies Identified in Survey

## Top Ten Results

Technology	# of projects funded in FEI	Value funded in FEI
Boiler replacement	150	£6.2m
Lighting upgrades	200	£4.8m
Computers & IT solutions	113	£2.5m
Building management systems	133	£2.5m
Lighting controls	143	£2.0m
LED lighting	84	£1.2m
Hot water	72	£1.0m
Insulation - building fabric	84	£0.8m
Insulation - other	39	£0.8m
Motor controls	40	£0.7m

# LOANS CASE STUDY EXAMPLE

## DARLINGTON COLLEGE

James Butterfield  
Head of Estates and Site  
Services



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# Darlington College Background

- ✓ Purpose built and opened for September 2007
- ✓ General FE college approx. 30,000sq.metres
- ✓ 2000+ FTE and 3500 PT Students
- ✓ 500+ staff across one main campus
- ✓ Separate Childcare Centre and Sports Hall
- ✓ Engaged Zeco Energy; energy solutions provider in 2012

# Identifying Projects Opportunities

- ✦ None of current management staff in position prior to construction of new site- all subsequent projects are 'retro fit'
- ✦ Feasibility studies for Capital Projects highlighted benefits of conventional/LED options prior to Capital projects 12/13
- ✦ Lighting surveys carried out by Zeco Energy highlighted 3 areas with sufficient Burn rate to justify move to LED solution
- ✦ Initial support from Salix was for Sports Hall- approx. 100 hrs per week Monday to Sunday.
- ✦ Happy to look further at BMS development and other opportunities

# Project Knowledge Slide – LED Lighting in Sports Hall by Darlington College



## BEFORE

- 25 x 220w Conventional Lamps
- 25,740 kWh consumed
- £3,065 (energy costs only)
- Energy Price – 11.9 pence / kWh
- Access to change lamps was difficult and required scaffolding due to the sprung floor

[Project completion date – September 2014](#)

## AFTER

- Project cost £9,600
- 15 x 132w LED High Bays
- 7,721 Post-kWh
- 65% Savings in kWh consumption
- £2,144 savings per year
- 4.48 year payback
- 9.68 tCO<sub>2</sub> saved per year



# Project Knowledge Slide – LED Lighting in Sports Hall by Darlington College

## Supporting Comments:

- Technology: Conrac high bay LED lights with a Steel wire guard (suitable for sports halls)
- Supplier: Zeco Energy – Consultants / Installer – GME Industry using
- Advice for others:
  - Due to the nature and unforeseen complexity of the installation we would recommend a full site and existing light fitting survey as opposed to a visual inspection prior to installation. We encountered difficulties due to access restrictions i.e. height of ceiling, wooden sprung floor, scaffolding requirements etc.
  - Once the installation began we found out that the existing lights were fixed and secured using a non-standard fixing bracket. This caused a slight delay & there was slight disruption to members of the public which was handled well by our Sports Hall co-ordinator. The number of lights were reduced from 25 units to 15, resulting in a remarkable difference in lighting.

Client – Darlington College  
Tel –

Client contact – James Butterfield  
Email – [jbutterfield@darlington.ac.uk](mailto:jbutterfield@darlington.ac.uk)

# Project Successful?

- ✔ Without doubt- extremely positive feedback from Sports Hall users
- ✔ Process straight forward, lots of information provided by our consultants Zeco Energy
- ✔ Only issues are our own financial regulations within college- getting signatures and PO's sorted etc.
- ✔ Being seen to have actually done something- often talking about what we may or might do- **words into actions!**



# Salix Application – Hints and Tips

- ✓ Use compliance tool when identifying opportunities
- ✓ Get in touch with Salix when developing business case
- ✓ Make good use of available information on Salix website (best practice calculations and case studies)
- ✓ Include supporting calculations when applying
- ✓ Regular communication with Salix
- ✓ Include maintenance savings for internal business case

# Future Opportunities for Darlington

- ✦ Further LED solutions previously identified
- ✦ Further updates to BMS system- whilst maintaining internal management
- ✦ Heat recovery
- ✦ Lab upgrades
- ✦ Other lighting upgrades to fittings/bulb replacement

Thank You

James Butterfield  
Darlington College  
Head of Estates and Site Services

# Knowledge sharing and case studies



# Knowledge Sharing and Case Studies

The screenshot shows a web portal with a green header containing navigation links: Home, Loans, Recycling Fund, Knowledge Share (active), News, and About Us. Below the header is a secondary navigation bar with links for My account, My applications, and Log out. The main content area features a breadcrumb trail: Home > Knowledge Share. On the left, there is a search box labeled 'Search This Area' and a vertical menu titled 'Knowledge Share' with the following items: Technologies, Case Studies, Project Knowledge Slides, Compliance Tools, Best Practice Calculations, Client Support Material, and Regional Meeting Material. The main content area is titled 'Knowledge Share' and includes sub-links for Edit, Node export, Log, and Devel. The text describes the portal as a resource for clients to share information on key areas, listing seven categories: 1. Technologies, 2. Case Studies, 3. Project Knowledge Slides, 4. Compliance Tools, 5. Best Practice Calculations, 6. Client Support Material, and 7. Regional Meeting Material. A note at the bottom states that some content is reserved for public sector representatives and requires login or registration for full access.

Home   Loans   Recycling Fund   **Knowledge Share**   News   About Us

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Home > Knowledge Share

**Search This Area**

**Knowledge Share**

- Technologies
- Case Studies
- Project Knowledge Slides
- Compliance Tools
- Best Practice Calculations
- Client Support Material
- Regional Meeting Material

**Knowledge Share**   Edit   Node export   Log   Devel

Our new and improved Knowledge Share area is a portal for clients to share information on a number of key areas. We invite clients to take some time to look at the informative resources available here. This includes:

1. Technologies
2. Case Studies
3. Project Knowledge Slides
4. Compliance Tools
5. Best Practice Calculations
6. Client Support Material
7. Regional Meeting Material

The content in some of these areas is reserved for representatives of public sector organisations only. If you wish to view all content, please log in or register for access.

# Project Knowledge – Replacement of Boiler Plant – City College Plymouth



## BEFORE:

- 2 x oil fired boilers, 1 x gas fired boiler
- 1.9 MWh/year consumed
- Oversized plant (4,380 kW); 45% efficiency; nearly 40 years old
- £89k/ year running cost
- Problems – poor efficiency; oil storage, cost of oil, higher maintenance; emissions

## AFTER:

- 4 x 500kW modular gas condensing boilers
- Salix funding requested - £176,878
- 828,569 kWh annual energy savings
- £34,800/ year savings
- £153.29 tCO<sub>2</sub> saved per year
- £376,883 and 1,916 tCO<sub>2</sub> project lifetime saving



[Project completion date – October 2010](#)

# Stafford Further Education College

## Six Salix indicators

Total loan value

**£320,829**

Annual £ savings

**£81,276**

Annual savings tonnes of CO<sub>2</sub>

**394**

Lifetime £ savings

**£1,056,347**

Lifetime savings tonnes of CO<sub>2</sub>

**5,297**

Project payback

**3.5 years**



## Project overview

Stafford Further Education College used a Salix 100% interest-free capital finance loan of £320,829 to replace their oil-fired heating with a new energy efficient gas boiler and also install new energy efficient lighting.

“The loan process is effective and the system works well. Advice and guidance is prompt and useful. The monitoring team is supportive in making sure that approved schemes are moving forward in accordance with timetables. Our savings from reduced use of energy are very impressive, we have lifetime savings of over £1m. It’s a fantastic opportunity for the public sector to lead the way in energy conservation.”

**Pat Eagle, Project Manager (Finance), Stafford Further Education College**



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# Wakefield College

## Project overview

Wakefield college used a Salix 100% interest-free capital finance loan of £360,718 to install LED lighting upgrades in the college building. The lighting has created a brighter, more vibrant learning environment for the students and teachers.



### Six Salix indicators

Total loan value

**£360,718**

Annual £ savings

**£90,179**

Annual savings tonnes of CO<sub>2</sub>

**473**

Lifetime £ savings

**£1,172,333**

Lifetime savings tonnes of CO<sub>2</sub>

**473**

Project payback

**4 years**

“The Salix application was straightforward and I found the team very helpful. Salix were very efficient and proactive throughout the application process.”

**Shane O'Donnell, Energy Officer at Wakefield College**



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# Salix Application Process




# Six Steps for a Salix FE College Application

1. Register on the Salix website – [salixfinance.co.uk/loans](https://salixfinance.co.uk/loans)
2. Read the application notes – [salixfinance.co.uk/loans/Salix-College-Energy-Fund](https://salixfinance.co.uk/loans/Salix-College-Energy-Fund)
3. Complete an online application form
4. Complete our simple Compliance Tool (and Salix business case for projects over £100k)
5. Submit your application online
6. Salix will do a technical assessment




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# Step 1. Register on the Salix Website



SALIX  
SOLVING ENERGY EFFICIENCY FINANCE IN THE PUBLIC SECTOR

email: info@salixfinance.co.uk  
tel: 020 7406 7620



[Home](#) [Loans](#) [Recycling Fund](#) [Knowledge Share](#) [News](#) [About Us](#)

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[Home](#) > [User account](#) > [User account](#)

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## User account

**E-mail \***  
A valid e-mail address. All e-mails from the system will be sent to this address. The e-mail address is not made public and will only be used if you wish to receive a new password or wish to receive certain news or notifications by e-mail.

**Access to 'Knowledge Sharing Area' \***  
This area is for employees of public sector bodies able to utilise Salix funding. Please select 'Yes' if you would like access to this area - this request will then be reviewed by Salix.

No  Yes

**First name \***

**Last name \***

**Position \***

**Organisation \***

# Step 2. Read the Application Notes

- Application notes can be downloaded from the Colleges page on the Salix website here: [www.salixfinance.co.uk/loans/Salix-College-Energy-Fund](http://www.salixfinance.co.uk/loans/Salix-College-Energy-Fund)

## Salix College Energy Fund

In partnership with the [EAUC](#) and supported by the [AoC](#), Salix is delighted to announce the release of £5 million of funding for energy efficiency and carbon reduction projects in Further Education (FE) colleges in England, Scotland and Wales.

Continuing the success of Salix's previous work in the education sector, the funding is intended to act as a further catalyst for investment in energy efficiency technologies which will reduce carbon emissions and create financial savings.

Since 2004 Salix has funded over £21 million of energy efficiency projects in 201 FE colleges in England, Scotland and Wales. This has saved the sector approximately £81 million over the lifetime of the projects. The most popular spend on technologies in these FE Colleges has been on boiler upgrades, followed by conventional fluorescent lighting upgrades, building fabric insulation and improvements to heating and hot water distribution.

- Salix Loan Application >
- Compliance Tools & Business Case Template >
- Eligible Technology List >
- Case Studies & PKS >
- Completion Certificate >

Once the application notes have been read, you can begin step 3 of your application here

# Step 3. Complete the Application Form

My account    My applications    Log out

Home > Salix Loan Application > Create Loan application

## Create Loan application

**Section 1 – Public Sector Body Contact Details**

This section should be completed with contact details for the organisation taking out the loan.

Name of Organisation \*

Please tick the box that best represents your organisation \*

<input type="radio"/> Local Authority	<input type="radio"/> Maintained School
<input type="radio"/> NHS	<input type="radio"/> Academy School
<input type="radio"/> Emergency Services	<input type="radio"/> Further Education
<input type="radio"/> Other	<input type="radio"/> Higher Education

Address Line 1 \*

Address Line 2

Town \*

**Introduction**

**Section 1 – Public Sector Body Contact Details**

**Section 2 – Main contact at Public Sector Body**

**Section 3 – Authorising official**

**Section 4 - Project Compliance Tools**

**Section 5 – Declaration**

**Contact Us**

Name \*

Email \*



# Step 5. Submit Application Online

To support your applications you should also submit the below:

## *Savings calculations*

- ✦ Show how you calculated the kWh savings stated in the compliance tool
- ✦ Any quotes you have received

## *Technical Specification*

- ✦ For all projects we need to see the technical specifications for the technologies

## *Salix Business Case*

- ✦ For projects over £100k a Salix Business Case is also required (this can be downloaded from our website)

## Step 6. Technical Assessment

- ✓ The Compliance Tool and supporting calculations will be assessed to ensure the project will be achieving sufficient savings
- ✓ Salix will work with Atkins to complete full technical assessment on business case projects (those over £100k)
- ✓ The technical team will contact you/your consultant with any queries



# Salix College Application

- ✓ Once the deadline has past on 30<sup>th</sup> January 2015, all applications will be technically assessed
- ✓ Funding will be allocated at the end of February 2015 and successful applicants will receive a 'Commitment Letter' to secure funding
- ✓ Projects are to complete by December 2015
- ✓ The loan will be paid out on completion of the project
- ✓ Repayments will be collected via direct debit in 6-monthly installments



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# College Application Timescales

- ✓ Deadline for applications is **noon on 30<sup>th</sup> January 2015**
- ✓ Funding will be awarded at the end of **February 2015**
- ✓ Projects are to complete by **December 2015**
  
- ✓ Early applications welcome
- ✓ FE colleges are encouraged to submit early Expressions of Interest

# Thank you



Please contact the Further Education Colleges Team for further information

**E-mail:** [fecolleges@salixfinance.co.uk](mailto:fecolleges@salixfinance.co.uk)

**Phone:** 0207 406 7620



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