

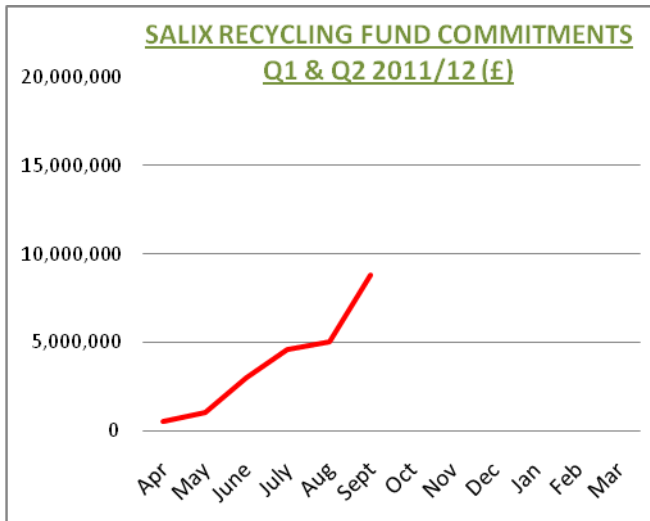
Welcome to the November Newsletter from Salix Finance the not-for-profit company that funds energy efficiency and CO₂ reduction projects across the public sector.

This newsletter is aimed at the existing Recycling Fund client base and in this edition we report on: fund delivery in the second quarter, The Salix League, technical workshops overview & sharing best practice calculations.

UPDATE ON SECOND QUARTER ACTIVITY

September, as expected, turned out to be a strong month for clients, with a high number of projects committed and existing projects commissioned. While there is still a long way to go to achieve our full year target, we have a strong set of figures to build on going forward into the second half of the financial year.

The graph below shows clearly the sharp increase in projects in the month of September. Looking forward we would expect there to be another sharp increase of projects in November/early December and we hope to be in an even stronger position by the end of the third quarter.



- New projects committed in the month September 2011: **£3.8 million.**
- Total new projects committed so far for the 6 months starting April 2011: **£8.8 million.**

EXEMPLAR CLIENT ACTIVITY MAXIMISING USE OF AVAILABLE FUNDS

An objective for the recycling fund team this year is to focus clients on improving the level of fund utilisation. In 2010/11 clients achieved 58% utilisation (which includes cash at the beginning of the year and all repayments due) with £27.5 million projects committed out of a potential £44.1 million available.

We are pleased to say that so far sixteen clients have committed more than 60% of their maximum spend available. Within these sixteen clients there are a small number who have already used up all their funds for this financial year, which is clearly a position we would wish all of our clients to be in.

Wandsworth Borough Council and **University of Chichester** have committed over **100%** of the funds available to them. They have achieved this by good forward planning and committing projects before savings have reached their account. However, by the time the projects are commissioned or have to be paid for, the savings will be in their account.

Cardiff Council and **Bristol City Council** have both utilised **98%** of their available funds and **Leicestershire County Council** and **London Borough of Bexley** have utilised more than **70%** of their funds.

Salix has developed a **Fund Planning and Utilisation** guide which aims to inform clients how best to manage their Recycling Funds with a view to maximising possible spend year-on-year. This can be found at http://www.salixfinance.co.uk/client_area.html under **Client Support Material**. You can also contact your CRM.

We strongly believe that now is a good time to review your performance to date and, put in place actions to deliver the projects, which you want to commit before the end of the year. Please be mindful of the full Salix product offerings, as covered in the last newsletter and regional meetings, which could help you achieve this. The time before the Christmas break is crucial to achieving a steady flow of new project commitments before the end of March.




THE SALIX LEAGUE

In this newsletter we publish the updated league tables after activity in the second quarter of 2011/12. This time round we are showing a summary of three of the seven measures: **spend rate**, **spend vs. fund size** and **use of available funds**. These three measures reveal how well your fund is performing. (For an explanation of each measure please see the **'The Salix League'** section of the website.)

For each of the three measures we recognise two levels of achievement. Firstly the **top five** client positions; and secondly the **top five** clients who have made the largest improvement in the last 6 months. Full versions of the league tables, showing the position of all 148 clients, are attached as a separate PDF alongside this newsletter, they will also appear on the Salix **'Knowledge Sharing & Support'** website at http://www.salixfinance.co.uk/client_area.html under **'The Salix League.'**




Measure 1 – Spend Rate

The Top 5 Clients

#	Top 5 Clients	% Spend Rate		Change in Position
1	London Ambulance NHS Trust	5.71%		0
2	Keele University	5.50%		0
3	University of Chichester	5.35%		5 ↑
4	Flintshire County Council	5.09%		-1 ↓
5	London Borough of Enfield	5.03%		31 ↑

The Top 5 Movers

#	Top 5 Movers	% Spend Rate		Change in Position
37	Cardiff Council	3.53%		76 ↑
32	Metropolitan Police Authority	3.65%		63 ↑






25	East Sussex County Council	3.84%		60 ↑
7	Northumbria NHS	4.89%		56 ↑
8	London Borough of Waltham Forest	4.84%		41 ↑

Northumbria NHS have utilised their funding ahead of their drawdown profile and are delivering good lighting, variable speed drive and BEMs projects.

Waltham Forest has had a successful second quarter and is featured in all of three measures summarised here. They committed almost £200k from a combination of white-light Street lighting conversions and floodlighting.

Measure 2 - Spend v Fund Size

The Top 5 Clients






#	Top 5 Clients	% Committed Fund Recycling		Change in Position
1	Kings College London	221.25%		3 ↑
2	Bristol City Council	204.54%		4 ↑
3	South Tyneside Borough Council	187.30%		-2 ↓
4	Metropolitan Police Authority	182.62%		19 ↑
5	Southampton City Council	176.70		-3 ↓

Congratulations to **Kings College London** and **Bristol City Council** for being the first two clients to have spent their Salix fund more than twice.

Kings College London is the first Higher Education Institution to have spent their Salix fund size more than twice, having been on the scheme for just under 5 years. This quarter they increased their position from fourth in the first quarter to first position, spending £122k on lighting projects, mainly corridor lighting as well as library and stairwell lighting.

Bristol City Council were one of the early Salix clients and have recently committed a £1.1 million street lighting project, consisting of £550k of Recycling Funds and £550k of SEELS loan funding.

The Top 5 Movers

#	Top 5 Movers	% Committed Fund Recycling		Change in Position
30	Cardiff Council	130.77%		85 ↑
60	East Sussex County Council	111.20%		62 ↑
89	London Borough of Waltham Forest	96.85%		54 ↑
97	Northumbria NHS	92.94%		50 ↑
37	University of Winchester	127.24%		38 ↑

Cardiff Council considered all their repayments coming in this year so that they could utilise their maximum fund level on replacing oil boilers with new condensing gas boilers.






East Sussex County Council has climbed 62 places to second place. In the first half of this year they focused on large projects with their transport team, committing a £69k LED illuminated bollards project and a £205k Sodium lamp replacement (and have kindly provided details of this project in the '[Good Practice Material](#)' section of our website). They have surpassed the original pledge they

set in April and have set a more ambitious pledge for the rest of the year. In the second half of this year they will be focusing on progressing individual projects with schools as well as looking at LED road signs.

University of Winchester have continued their good spend this year and so far have committed a number of street lighting conversions and lighting controls in lecture room and Halls of residence.


Measure 3 – Use of available funds

The Top 5 Clients

#	Top 5 Clients	% Use of Funds (spend % of Max)	Change in Position
1	Wandsworth Borough Council	131.52% 	16 ↑
2	University of Chichester	129.13% 	0
3	Metropolitan Police Authority	106.29% 	62 ↑
4	Cardiff Council	97.86% 	114 ↑
5	Bristol City Council	97.77% 	13 ↑

Wandsworth Borough Council wanted to commit a £65k insulation project at their Town Hall through Salix. They did not have the funds readily available at the time, having already allocated the majority of their available funds this year. Looking ahead, £42K of savings are to be returned in April 2012. The project was committed six months in advance of the returned savings and Wandsworth Borough Council also increased their matched funds so the project could be accelerated.

The Top Movers

#	Top 5 Movers	% Use of Funds (spend % of Max)	Change in Position
9	Kent County Council	69.65% 	135 ↑
26	London Borough of Waltham Forest	51.28% 	121 ↑
18	London Borough of Enfield	58.25% 	119 ↑
6	London Borough of Bexley	94.31% 	117 ↑
4	Cardiff Council	97.86% 	114 ↑

Kent County Council has built on the success which they achieved at the end of last year by continuing to identify a pipeline of projects which exceeds their current fund size. So far they have committed LED and T5 replacement project, voltage management and a boiler conversion. They aim to commit all of their funds this year and will be looking to go ahead with projects, including further LED replacements and a high speed shutter door at Kent County Council's main depot. Calculations for their first shutter door project can be found on the '[Good Practice Material](#)' section of our website.

London Borough of Enfield has committed nearly £200k in the third quarter, across a range of different projects covering draught proofing, pipe work insulation, voltage management, PIR lighting, and HVAC controls.

London Borough of Bexley have successfully utilised their funds so far this year, spending on two projects, including an installation programme of voltage management in schools and public buildings, together with upgrading controls on sodium street lighting using "trimming and dimming" control technologies.

COMMISSIONING OF SALIX PROJECTS

December 2011 will be an important month for the commissioning of Salix projects. In March 2011, over £4.8 million of Salix projects were committed. This follows the expected trend of project commitments peaking at the end of each financial year. These projects should all have been commissioned by the end of December, as this is the backstop we set for the completion of all projects.

Projects which remain at committed status for over nine months become a major concern to Salix and for the figures which we are required to report, so we would ask that you take every opportunity to ensure committed projects are progressing to completion within the timescale allocated.

If you have projects committed which are 9 months or over your CRM will be sending you a table like the one below. Your fund may be at risk if it materialises that overdue projects have not been started or are in major delay.

<i>Salix Client</i>	Number of projects over 9 months	Total loans value	Total annual CO2
Projects 12 months overdue	3	£110,400	144
School TRVs	1	£3,450	5
Voltage Management	1	£86,250	115
Cooling plant replacement	1	£20,700	24

RECENT REGIONAL MEETINGS

Regional meetings were held in September and October. Thanks to all those who hosted:

- **Leeds Trinity University College, Southwark Council, London Borough of Brent, Queen Mary University London, Stockton on Tees Borough Council, Caerphilly County Borough Council and Suffolk County Council.**

The main subjects of the meetings were: updates on Salix offerings, outcomes from the recent BEMS workshops and discussions on Academy schools. The presentations are now on our website. If you would like to host the next round in January, which will include preparing for the end of year process, contact your CRM.

BEMS WORKSHOPS

We have now completed our run of four BEMS workshops held in partnership with Briar Associates in August and September. The feedback which we have had from these events has been very positive. Many thanks to those who supported these events and made them successful, particularly the hosts and the client presenters, who were:

Steve Newberry (University of Exeter)
Paul Colston (Cardiff Council)
Tom McHale (Nottinghamshire County Council)
Andrew Bryers (Aston University)
Sofia Kokolaki-Hall (Aston University)
John Lightowler (University of Sunderland)
Mike Blades (Northumbria Healthcare)
Richard Frost (University of Essex)

The presentations from the workshops are available from the [‘Regional Meeting Material’](#) area of our [‘Knowledge Sharing & Support’](#) section of the website. We have also published a briefing note summarising the workshops, which can be also be found on the website in the [‘Client Support Material’](#) section. We are now in the initial stages of planning our next set of technical workshops and will have more information on these in the coming months.

NEW COMPLIANCE TOOLS

We are happy to announce that the latest versions (v26) of our project compliance tool is now available to clients.

These incorporate a number of changes:

- Additional technologies have been added -
 - **Energy Efficient Server Replacement**
 - **Steam trap replacements**
 - **Air Curtains – heated**
 - **Air Curtains – ambient**
 - **Energy Efficient Freezers (-25°C)**
 - **Energy Efficient Freezers (-86°C)**
 - **Diode pumped solid state lasers**
 - **Fume Cupboards - VAV Controls + Inverter Drives**
 - **Fume Cupboards - Auto Sash Closing + PIR Energy**
 - **Efficient Fume Cupboards Heat Recovery on Extract System**
- Improved persistence factors for some ICT technologies
- Incorporation of the latest DEFRA carbon conversion factors
- ‘Voltage reduction’ work type has been renamed ‘Voltage management’ in line with the Carbon Trust document, CTG045.

As well as the single fuel and multiple fuel compliance tools, we now have a **Multiple Project Site (‘MPS’) compliance tool**. This function has been available on SERS for some time now and the MPS compliance tool makes the process of combining projects of multiple technology types much simpler. The front sheet of the tool has full instructions for entering projects but if you have any further questions on how to use this, please contact your CRM for assistance.

GOOD PRACTICE MATERIAL

Our [‘Good Practice Material’](#) area now includes some sample calculations for high speed shutter doors and street lighting, which includes business cases provided by **Bristol City Council**, **Gloucester County Council** and **East Sussex County Council**.

If you have any calculations or other material which you feel would be beneficial to share with other clients, or if there are any specific technologies you are looking for more information on that you would like to see covered here, please do get in touch.

Finally we always welcome items such as news of any awards or successful energy efficiency projects which Salix Clients would like us to cover in future newsletters. Please contact your CRM in the first instance. The next newsletter will be published after the third quarter.

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