

**Report to the Cabinet**

24 November 2025

**Wards:** All**Decarbonisation of Corporate Buildings - Salix 4****Report of the Director of Regeneration****Report Status:**

This item is not exempt

Therefore exempt reasons are not applicable

This is a key decision. The matter is in the Forward Plan

**1. Purpose of the Report and Summary**

- 1.1. The report requests approval to progress the delivery of decarbonisation measures to four buildings (Guildhall, City Hall, Wilson Centre and History Centre) in the city centre, all of which have recently received funding through the Government's Salix Scheme.
- 1.2. The report informs Cabinet of the awarded £4.94m Salix 4 funding, milestones and completion deadlines and requests approval to allocate £1.78m of match funding from existing budgets.
- 1.3. The report also requests approval on the recommended procurement and delivery routes for all four public buildings to meet the Salix 4 funding requirements.
- 1.4. Once the proposed decarbonisation measures have taken place, the Salix 4 projects will contribute to the Council's Net Zero targets by offering 3440 tCO<sub>2</sub>e of carbon savings over a 20-year period.
- 1.5. The report also requests approval to progress the delivery of the Mayoral Renewables Fund Solar PV project.

**2. Recommendations**

- 2.1 To note and approve the acceptance of Salix funding to the sum of £4.94m to support the delivery of maintenance and decarbonisation measures to Guildhall, City Hall, Wilson Centre and History Centre as follows: -

- 2.1.1 **The Guildhall:** Repairs to the roof and building and reconfiguration and maintenance within the coroner's area repairs to the roof, and replacement of one of the lifts together with comprehensive enhancements to the insulation and windows within the building, Solar Photovoltaic cells, and the management system for maintenance and connection into the District Heat network.
- 2.1.2 **The City Hall:** maintenance to the basement, enhancements to the insulation and maintenance, air handling, heating management system and connection into the District Heat network.
- 2.1.3 **The Wilson Centre:** enhancements to the Building Management System, lighting, mechanical ventilation, Solar Photovoltaic cells, and connection into the District Heat network.
- 2.1.4 **The History Centre:** maintenance works, enhancements to the Building Management System, renewable energy through Solar Photovoltaic cells and connection into the District Heat network.
- 2.1.5 A list of the measures included within the Salix funded project are included in Appendix 1
- 2.2 To allocate £1.63m of match funding from existing budgets within the Capital Programme to support the delivery of these projects and to allocate an additional budget of £147k to support the delivery of the new lift and dry lining measures in the Guildhall (as outlined in Appendix 2).
- 2.3 That the Assistant Director of Major Projects and Infrastructure acts as Programme Manager for the works associated with the Salix Funding and has the delegated authority to instruct work packages to deliver the schemes, and to monitor and evaluate the success of the projects to both the Council and funders.
- 2.4 That the Assistant Director of Major Projects and Infrastructure, Assistant Director Property and Assets and Building Design Services, in consultation with the Director of Legal Services, Capital Delivery and Governance are authorised to progress procurement of measures, either through traditional contracting methods or through established procurement frameworks or partnerships.
- 2.5 That the Assistant Director of Major Projects and Infrastructure in consultation with Assistant Director for Property and Assets and Director of Legal Services, Capital Delivery and Governance is authorised to progress the delivery of the Mayoral Renewables Fund Solar PV Project through the Clear Futures Strategic Partnership Framework.

### 3 **Reasons for Recommendations**

- 3.1 These projects support the Council's commitment to become carbon neutral by 2030, with the wider city aiming for net zero status by 2045.

- 3.2 The delivery of renewable energy projects presents the Council with a considerable opportunity to reduce its energy costs, which have increased significantly in recent years, allowing revenue expenditure to be focused on other Council Services.
- 3.3 The Council has been successful in securing £4.94m from the Government's Salix 4 Scheme to undertake decarbonisation initiatives to the Guildhall, City Hall, the Wilson Centre and The History Centre. This funding needs to be committed by end of March 2028.
- 3.4 The bid included £1.78m of match funding from existing council budgets. This included additional capital funds of £147k which is required for the Guildhall to support the delivery of the new lift and dry lining measures.
- 3.5 To meet the Salix 4 funding requirements, flexibility is required to allow the project team to select the most appropriate method of procurement and delivery for the project, that provides value for money for the council whilst meeting the deadlines set.
- 3.6 High level findings indicate that once measures are installed, there is significant opportunity for energy cost and carbon savings at all four buildings. Authorisation of the procurement routes to commence design and installation of the schemes is required to meet funding requirements and deadlines.
- 3.7 Future connection to the Hull District Heat Network is included within all four Salix 4 buildings, as it is considered that the Salix 4 project and Hull District Heat Network project are mutually beneficial. Connection to the network supports the favourable £/CO<sub>2</sub>e decarbonisation figure calculated by the Salix application form.
- 3.8 The wider energy efficiency measures included, particularly for City Hall and Guildhall, will reduce heat loss and support the long-term operation of the District Heat Network.

#### **4. Key Organisational Impacts**

- 4.1 The installation of Salix 4 measures will impact the West Area Committee only. This includes localised impacts to the identified buildings whilst the identified measures are installed. Key updates will be provided throughout delivery of the project.

##### **Contribution to the Community Plan, Council Plan and Area Plan**

- 4.2 The Salix projects contribute to the Community Plan 2024-2034 by responding to the climate and nature emergency by supporting the Councils ambition to be Carbon Neutral by 2030 and Net Zero by 2045, improving air quality, providing opportunities for new green jobs, creating an environmentally friendly city and by creating stronger more climate resilient neighbourhoods for today and the future.
- 4.3 The Salix projects contribute to Hull's Council Plan 2024 by supporting Hull in becoming an environmentally friendly city by reducing climate pollution, ensuring the Council consider climate change in the design, delivery and operation of our

decisions and prioritising investment in energy efficiency and renewable energy generation technologies for council and community programmes, including supporting district heating.

- 4.4 The Council are working closely with the private, public, and educational sectors through the 'Hull: Oh Yes! Net Zero Hull campaign, with an aim to reduce carbon emissions and support Hull and the Humber in leading the UK to Net Zero. Over 20 local organisations from across a range of sectors have already committed their support to the project. Oh Yes! Net Zero is an ambitious, large scale, cross city campaign that will touch everyone as it aims to galvanize the entire city region to bring about positive change at a local, national, and international level, as well as establishing Hull leading the way for net zero in the UK.

Impact on other key strategies/business plans:

- 4.5 Hull 2030 Carbon Neutral Strategy provides the strategic framework for the reduction of carbon emission from production and consumption to become a net zero city by 2045 to reduce the impact of climate change on the city. The decarbonisation of heat in the domestic and industrial process areas presents the greatest challenge in the city meeting its target. The development of the district heating network aims to secure low carbon heat for Hull's City Centre. Delivery of the Salix 4 project will support the long-term operation of the Hull District Heating Network.

Equalities Impact Information

- 4.6 The projects described in this report is not expected to disproportionately impact either positively or negatively on any groups with protected characteristics.

**5. Consultation**

- 5.1 Following the successful award of Salix 4 funding, key stakeholders have been identified. Every effort is being taken to appropriately consult key stakeholders and ensure they are kept updated.
- 5.2 Council building location managers and site managers will be consulted at key stages of project prior to delivery and before any installation works taking place. Consultation with other Council departments relating to statutory approvals, such as Planning, Permits, and Highways, will also be carried out where required, throughout the duration of the project.
- 5.3 Key project developments will be reported to the Council's Green Energy Board, led by several senior Council officers and Council Members.

**6 Background**

- 6.1 On 27<sup>th</sup> June 2020, Council Cabinet approved the Hull 2030 Carbon Neutral Strategy [Hull 2030 Carbon Neutral Strategy | Hull City Council](#) allowing Hull City Council the strategic framework for the reduction of carbon emission from production and

consumption emission to zero by 2030 to reduce the impact of climate change on the city.

- 6.2 In October 2020, Cabinet ([Carbon Neutral Capital Programme](#)) authorised the work necessary to procure services to support the delivery of the 2030 Carbon Neutral Strategy across six capital projects, which included solar energy generation from ground, roof and canopies and wind turbine development
- 6.3 In November 2022, Cabinet ([Carbon Reduction Delivery Programme](#)) approved recommendations including the procurement of a Contractor to Design and Install Solar PV & Canopies to identified sites across the city of Hull
- 6.4 In March 2024, Hull City Council were awarded £1.5 million in Salix PSDS 3C funding to deliver heat decarbonisation measures to the Streetlife Museum, City Treasury, and Western Library.
- 6.5 In June 2024, Hull City Council Cabinet ([Decarbonisation of Corporate Buildings](#)) approved the progression of the Salix 3C project and use of the Clear Futures strategic partnership framework to deliver decarbonisation projects to meet funding deadlines.
- 6.6 In May 2025, Hull City Council were awarded £4.94 million in Salix PSDS 4 funding to deliver heat decarbonisation measures to Guildhall, City Hall, Wilson Centre and History Centre by 2028.
- 6.7 In May 2025, the Hull District Heating Project gained Council Cabinet approval ([District Heat March Cabinet Report](#)) to progress Design & Installation works that links directly to the Salix 4 funding works.

## **7 Issues for Consideration**

### **Salix 4 - Procurement Routes**

- 7.1 Major Projects and Infrastructure, Building Design Services and Property and Assets have reviewed the deliverability of the Salix 4 project and have identified the synergies with planned works already within the Council's Capital Programme (Appendix 3).
- 7.2 The procurement route for these measures will be through one of the following: -
  - **A design and build contract** through an appropriate framework contract such as Clear Futures Strategic Partnership Framework or Pagabo. Under this arrangement the contractor is responsible for the development of the design, obtaining planning consent and project managing delivery through bringing together the team that will deliver the project. This approach enables the design to be developed by the project delivery team alongside planning and provider selection to a project price and can expedite delivery and give greater cost certainty, however, all professional fees are paid for externally

- **Using the internal design and project management team to develop the specification, tender the contract and project management the works** i.e. traditional contracting. Local Authorities across the Yorkshire and Humber Region established the YORbuild framework contract to facilitate the delivery of major construction projects through traditional contracting using the NEC engineering contract. The YORbuild framework contract expedites some elements of the procurement process and provides a range of contractors who are invited to tender to deliver projects in the sub-region. Under this arrangement Building and Design Services provide the professional services (i.e. design, planning, procurement, project management) and the contractor's role is limited to delivery of the construction activity. Where the works can be broken down into packages of work, the project manager may bring in smaller contractors on direct arrangements, procured through suppliers registered with Constructionline to deliver elements of the project. The Council carries the design and cost risk
- **Procuring and External Professional Services team to tender the required contract.** This would only be required where there was insufficient internal capacity to undertake the commissioning. The design, planning and project management as well as the construction is externalised to a third-party organisation. Such an approach would be through the Councils Engineering & Regeneration Professional Services Framework which is currently being retendered. The Council may share design and cost risk with the appointed professional team.

#### Salix 4 – Funding and Measures

- 7.3 Funds have been identified in the Capital Programme agreed by Council in February 2025 to deliver works to the Guildhall, Wilson Centre and Corporate Buildings overall
- 7.4 Building and Design Services have developed a scheme for the Guildhall roof and the wing of the Guildhall occupied by the coroners and works to the History Centre ready for procurement and are concluding development of a scheme of works for City Hall and the Wilson Centre.
- 7.5 The works to the wing of the Guildhall include roofing and glazing works and works to bay windows that have significantly deteriorated, as well as a reorganisation and refurbishment of internal under-utilised space, to make better use of the available space and address extensive maintenance requirements.
- 7.6 The works to the History Centre address maintenance requirements to the building.
- 7.7 Maintenance works are required to the City Hall including the shop units and a surveying firm has been commissioned to undertake a detailed survey to inform the specification. The works will improve the ability to let the commercial units

- 7.8 The works to the Wilson Centre address weaknesses in the mechanical ventilation of the building to enable a more balanced environment, as well as energy efficiency measures to reduce energy utilisation.
- 7.9 The Council has been successful in securing £4.94m of external funding from the Government's Salix 4 Public Sector Decarbonisation Scheme. This funding supports the Council's match funding contribution of £1.78m towards delivery of the project which will be sought from approved capital budgets, as identified in Appendix 2.
- 7.10 The funding will be used to deliver building energy efficiency and decarbonisation works to the Guildhall, City Hall, Wilson Centre and History Centre. The works will include building fabric measures at Guildhall and City Hall, and energy efficiency upgrades to all four buildings. All four buildings will have measures installed to enable the connection of the HDHN.
- 7.11 High level findings indicate that once measures are installed, the following energy cost savings and carbon savings will be achieved: -
- Guildhall
    - Annual Energy Savings (£)- £90,142
    - Annual Carbon Savings (tCO<sub>2</sub>e)- 109
  - City Hall
    - Annual Energy Savings (£)- £66,218
    - Annual Carbon Savings (tCO<sub>2</sub>e)- 53
  - Wilson Centre
    - Annual Energy Savings (£)- £23,199
    - Annual Carbon Savings (tCO<sub>2</sub>e)- 6
  - History Centre
    - Annual Energy Savings (£)- £19,749
    - Annual Carbon Savings (tCO<sub>2</sub>e)- 5
- 7.12 Heat decarbonisation reports were completed by renewable energy consultants, Arup Group Ltd, on each of the four buildings. Arup were instructed to carry out building optimisation appraisals considering improvements to operational processes, building fabric and decarbonisation of the heating and hot water system using a whole building approach.
- 7.13 The Phase 1 Hull District Heating Network has gained full Cabinet approval to proceed with design & installation works. The submitted approved Salix 4 applications depend on connection to the District Heat Network to provide a low carbon heating solution.
- 7.14 It is a requirement of the offer that the funding is only used for the works in the Salix application which have been recommended by the heat decarbonisation consultants.

- 7.15 There is a requirement to meet the kWh savings and carbon savings identified for each measure as shown on Appendix 4.
- 7.16 There may be a requirement to make a change during the project, such as adding or removing a measure or a site to the project. If this is the case, the Council will be required to submit a request for change to the funders.

Salix 4 - Heat Decarbonisation Reports

- 7.17 The heat decarbonisation reports provided an assessment of the existing space and domestic hot water heating provision via gas fed boilers. The reports set out suggested measures to reduce the building’s demand for energy through low-cost operational changes and use of energy efficiency technology. The report also considered which low carbon technologies could be implemented to support the transition to net zero. Connection to the HDHN was recommended as the best option for all four buildings.
- 7.18 The report recommended a range of works identified in Appendix 1.
- 7.19 The works will need to be phased to ensure minimal impact on site users. This phasing will be carried out following consultation with key stakeholders and in conjunction with the project teams, contractors and building users. There will be a requirement to liaise closely with Property & Assets in the event of staff decanting and relocation.
- 7.20 Guildhall and City Hall are Grade II\* listed building which can restrict certain modifications, close working with the Planning Department will ensure decarbonisation of the building without negatively affecting its historical importance.

Salix 4 - Financial Considerations

- 7.21 The total expected cost of delivering the decarbonisation measures for all four sites has been estimated to be £6.715m in total. Upon completion of the Salix funding application, the Council is eligible to claim funding of £4.94m towards delivery of the project on the basis that the Council contributes £1.78m
- 7.22 The total budget for each building is as follows: -

<b>Salix - Total Funding Allocation</b>			
<b>£000</b>	<b>Salix</b>	<b>Council Budget</b>	<b>Total</b>
<b>Guildhall</b>	2,144	953	3,097
<b>City Hall</b>	2,264	502	2,766
<b>Wilson Centre</b>	393	202	595
<b>History Centre</b>	135	122	257
<b>Total</b>	4,936	1,779	6,715

- 7.23 Utilising existing Council-funded budgets, identified in Appendix 2, is adequate to meet the Council’s required contribution of £1.78m. This includes the additional

budget of £147k which is required for the Guildhall to support the delivery of the new lift and dry lining measures.

- 7.24 Whilst there is a date of 31<sup>st</sup> March 2028 to deliver the projects to all four buildings, it is also important to note that there are external funding spending requirements for each of the financial years as follows: -

<b>Salix Funding Profile</b>				
<b>£000</b>	<b>2025/26</b>	<b>2026/07</b>	<b>2027/28</b>	<b>Total</b>
<b>Guildhall</b>	90	900	1,154	2,144
<b>City Hall</b>	75	525	1,664	2,264
<b>Wilson Centre</b>	38	225	130	393
<b>History Centre</b>	30	70	35	135
<b>Total</b>	223	1,720	2,983	4,936

- 7.25 At the time of the Council budget setting the outcome of the bid for SALIX funding was not known and, in line with normal practice, the budget was therefore not included at that stage. The latest Capital Monitoring report includes amendments to the Capital budget to include the £4.936m SALIX4 funding shown in the table above.
- 7.26 Failure to spend the above amounts in each of the financial years may result in the loss of grant funding. The funders have indicated that it is not possible to move funds between financial years.
- 7.27 The Council has previous experience of managing the delivery of Salix funding for the retrofit of LED lighting to Council buildings and through the Salix 3C project. Managing delivery of Building Decarbonisation measures through Salix 4 will add to the Council's wealth of knowledge of delivering Salix projects and equip the Council to submit more substantial funding applications in the future.

#### Salix 4 - Social Value

- 7.28 These projects will generate local jobs and apprenticeship opportunities during construction, operation and through maintenance, supporting the green jobs transition within the city.
- 7.29 The project will support the Council's environmental commitments and contribute towards stabilisation of heat supply.

#### Mayoral Renewables Fund Solar PV Project

- 7.30 In April 2025, the Council was successful in securing £350k to increase the scope of the current Phase 1 Solar Rooftop Project by 438kWp which is currently being delivered by Clear Futures Strategic Partnership Framework. Clear Futures are currently assessing suitable sites to ensure the project is delivered by 31<sup>st</sup> March 2026

## **8.0 Options and Risk Assessment**

## **Salix 4**

### **8.1 Option 1 – Proceed to procurement of the Salix funded works and approve £1.78m of match funding and an additional £147k for Guildhall (preferred Option)**

This option approves the procurement of the £4.94m Salix 4 funding received, agrees to achieving the milestones and completion deadlines of 31<sup>st</sup> March 2028 and allocates match funding of £1.63m from existing budgets. This option also approves the additional £147k to support the delivery of the new lift and dry lining measures in the Guildhall.

These decarbonisation measures will contribute to the Council's Net Zero targets by offering 3440 tCO<sub>2</sub>e of carbon savings over a 20-year period.

### **8.2 Option 2 – Proceed to procurement of the Salix funded works but do not approve the additional funding of £147k**

This option approves the procurement of the £4.94m Salix 4 funding received, agrees to achieving the milestones and completion deadlines of 31<sup>st</sup> March 2028 and allocates the identified match funding of £1.63m from existing budgets.

This option does not approve the additional £147k to support the delivery of the new lift and dry lining measures in the Guildhall which will result in a scaled back scheme.

These decarbonisation measures will contribute to the Council's Net Zero targets by offering 3440 tCO<sub>2</sub>e of carbon savings over a 20-year period.

### **8.3 Option 3 – Do Nothing**

The do-nothing approach will result in the delivery of projects being limited to the projects that the Council is already progressing i.e. connection to the Hull District Heat Network, Solar PV and match funded items from existing budgets.

If this option is progressed the Council will need to return the £4.94m of funding which supports, the connection charges to the district heat network and the decarbonisation measures to the four buildings. The Council will miss the opportunity to reduce energy bill costs and make significant progress towards the Council's target to become Carbon Neutral by 2030.

### **9.0 Comments of the Monitoring Officer (Town Clerk)**

The Council has committed to achieving a carbon neutral position within the corporate estate by 2030. The four buildings that are the subject of this decision will all benefit from the District Heating solution; however, it is necessary to complement the implementation of the District Heating solution by addressing the improvements required by addressing improvements required to the operation of the existing infrastructure and heating systems within the buildings, alongside enhancing the insulation and energy

generation capacity that can be delivered within the buildings. The improvements to the existing infrastructure and heating have been provided for in the capital programme, the grant funding within SALIX complements that commitment by the Council. As the programme ranges from minor to complex elements rooted in an understanding of the buildings, the proposal to utilise in-house design and project management capacity to commission the contractors who will deliver the programme of work has merit. The YORbuild framework contract was developed to provide ease of access to the Construction market. Procuring the major services through this framework contract with a significant focus upon quality, including Social Value, meets the requirements of UK Procurement Law. The focus on quality with a requirement for social value is consistent with the legal requirements. It is acknowledged that for some elements of the programme, it is likely to be more cost efficient, and assist meeting the conditions of the SALIX funding, to commission the works through smaller works packages from the Council's existing repairs and maintenance framework contractors.

#### **10.0 Comments of the Section 151 Officer (Director of Finance and Transformation)**

The director of finance and transformation notes the report and confirms that Match funding is available in the budget set out in Appendix 2. The Salix 4 programme is part of an integrated series of packages to deliver the district heat network in Hull City centre, solar PV panels, alongside general building maintenance budgets which must be regarded holistically. GS

#### **11.0 Comments of the Assistant Director OD & HR and compliance with the Equality**

##### **Duty**

The content of the report is noted. At a future stage, the impact on staff and the potential for disruption to services will need to be discussed with relevant management teams and trade unions to ensure a smooth delivery of the programme. KH

#### **12.0 Comments of Overview and Scrutiny**

This report will be considered by the Overview and Scrutiny Management Committee, at its meeting on the 21st November 2025. Any comments or recommendations agreed by the Commission, will be submitted to Cabinet for consideration alongside the final report. Ref: Sc9039 [PT]

#### **13.0 Comments of the Portfolio Holder**

I fully support progressing these schemes to decarbonise major council buildings. These works make use of significant Salix grant funding and utilise allocated capital budgets to not only achieve a significant reduction in carbon emissions, but also a saving of approximately £200,000 each year in council energy bills. In addition I support the additional allocation of capital funding for works to the Guildhall, and the use of our allocated Mayoral Authority funding to accelerate delivery of solar rooftop PV on council buildings. (PF1046)

**Chris Jackson**

**Director of Regeneration**

Contact Officer: Claire Bradbury- Senior Capital Programme Manager

Officer Interests: None

Background Documents: - A list of background documents must be included. These documents are then available (if not exempt) for public inspection.

#### Appendices

Appendix 1- Building Measures Summary

Appendix 2- Table of Council Budgets for Match Funding

Appendix 3- Salix Measures Delivery Route

Appendix 4 – Energy and Carbon Saving Commitments

## Implications Matrix

**This section must be completed and you must ensure that you have fully considered all potential implications**

This matrix provides a simple check list for the things you need to have considered within your report

If there are no implications please state

I have informed and sought advice from HR, Legal, Finance, Overview and Scrutiny and the Climate Change Advisor and any other key stakeholders i.e. Portfolio Holder, relevant Ward Members etc prior to submitting this report for official comments	Yes
I have considered whether this report requests a decision that is outside the Budget and Policy Framework approved by Council	Yes
Value for money considerations have been accounted for within the report	Yes
The report is approved by the relevant Director/Assistant Director	Yes
I have included any procurement/commercial issues/implications within the report	Yes
I have considered the potential media interest in this report and liaised with the Media Team to ensure that they are briefed to respond to media interest.	Yes
I have included any equalities and diversity implications within the report and where necessary I have completed an Equalities Impact Assessment and the outcomes are included within the report	Yes
Any Health and Safety implications are included within the report	N/A
Any human rights implications are included within the report	N/A

I have included any community safety implications and paid regard to Section 17 of the Crime and Disorder Act within the report	N/A
I have liaised with the Climate Change Advisor and any environmental and climate change issues/sustainability implications are included within the report	Yes
I have considered how the decision may contribute or impact on culture and heritage within the city.	Yes
I have included information about how this report contributes to the Community Plan/ Area priorities within the report	Yes
I have considered the impact on air quality, carried out an appropriate assessment and included any resulting actions or opportunities necessary to improve air quality in the report.	Yes