



Phase 3b Change Requests and Conditions

27th & 29th June 2023

Salix Speakers

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Change Request Process



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Definition of a Change Request

A **'change'** is defined as any significant alteration in the scope of the project. This includes **adding or removing a site** to the scope of PSDS works, **any change to the low-carbon heating system**, and including **any additional energy efficiency measures** which were not previously in the agreed scope.

Examples of Change Requests

Type of Change	Change Request?
Adding or removing a site	✓
Changing the low carbon heating system technology	✓
Changing the size of the low carbon heating system	✓
Adding new fabric improvements or energy efficiency measures	✓
Removing energy efficiency measures*	✗
Increasing or reducing the scope of existing energy efficiency measures	✗

* If there is a change to the scope of existing energy efficiency measures saving **direct carbon**, a formal change request will only have to be submitted if the **gas is not to be displaced** by the proposed low-carbon heating system.

Change Request Form

a) Description of the proposed change

<p>Change requested <i>Please tick as appropriate</i></p>	<p><input type="checkbox"/> Site change</p> <ul style="list-style-type: none"> <input type="checkbox"/> Site removed <input type="checkbox"/> Site added <p><input type="checkbox"/> Scope Change</p> <ul style="list-style-type: none"> <input type="checkbox"/> Measure(s) removed <input type="checkbox"/> Measure(s) added <input type="checkbox"/> Measure(s) reduced in scope <input type="checkbox"/> Measure(s) increased in scope
<p>Site Change <i>Please outline:</i></p> <ol style="list-style-type: none"> 1. What site(s) have been removed? What site(s) have been added? 2. Have end-of-life boilers been evidenced for this site? Please reference the name of the document this can be found in. 	
<p>Scope Change <i>Please outline:</i></p> <ol style="list-style-type: none"> 1. What measure(s) have been removed? 2. What new measure(s) have been added? 	
<p>Evidence provided <i>Each element listed must be provided for us to assess your change request, if any of these pieces of evidence are not provided, we cannot assess the change request.</i></p>	<p><input type="checkbox"/> Updated application form, ensuring all steps reflect the updated project scope:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Step 1 Introduction: Section 1.2 <input type="checkbox"/> Step 3.1 Building Details <input type="checkbox"/> Step 3.2 Heating System

<p><i>Please confirm that you have provided the requested information by ticking the appropriate box.</i></p>	<p><input type="checkbox"/> Step 4 Support Tool</p> <p><input type="checkbox"/> Step 5 Project Governance</p> <p><input type="checkbox"/> Updated energy-saving calculations</p> <p><input type="checkbox"/> Finalised, detailed project programme</p> <p><input type="checkbox"/> Updated risk register</p> <p><input type="checkbox"/> Updated cost breakdown with quotes, if available</p>
<p>Reason for change request <i>Please outline:</i></p> <ol style="list-style-type: none"> 1. Why this is needed – give a short description of the reason for the request. 2. The steps taken to try to meet the original proposal and the options considered. 3. The key changes being proposed - including any revisions to the delivery programme, specification, costs, and payment schedule. 	
<p>Risk mitigation</p> <ol style="list-style-type: none"> 1. In the case that your change request is approved, Salix will need to understand how risks will be managed to ensure the successful delivery of the revised project. 2. Please state the key risks and outline the mitigation actions regarding the delivery of the revised project. 	
<p>The outcome should the change request not be approved <i>Please state the risk to your organisation should this change request not be approved.</i> <i>How will this affect the project and your organisation's future?</i></p>	

b) Revised payment schedule

Please specify here your revised grant value, the payment received to date, and the proposed payment schedule based on your change request and revised delivery timetable.

<p>Revised grant value</p>	
<p>Payment received to date</p>	

Supporting Information Required



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Key Checks – Supporting Information

Documents required to assess a scope change:

- **Change Request Form**
- **Updated Application Form**
- **Energy Saving Calculations**
- **Updated Project Programme**
- **Updated Risk Register**
- **Cost Evidence**

Additional documents required to assess a site change:

- **End-of-life Boiler Evidence**
- **Feasibility Study (including peak heat loss calculations)**
- **Energy Consumption Data**
- **Options Appraisal**
- **Schematics**

Grant recipients are encouraged to submit any information relating to outstanding conditions at the time of change request submission.



Key Checks – Application Form

- **Is the project compliant?**
 - Check the Application Form 'Step 4 Support Tool' tab to check the project is marked as 'Compliant'.
 - The grant value cannot increase from the GOL value awarded.
- **Does each proposed building include a low-carbon heating measure?**
- **Are low-carbon heating systems sized appropriately?**
- **Are boilers end-of-life? (Site change only)**
 - If the boiler is less than 10 years old extensive evidence will be required.
- **Are measures sequenced correctly?**

Key Checks – Supporting Information

- Energy saving calculations
 - ✓ Unlocked Excel spreadsheet clearly showing methodology
 - ✓ Supports and matches figures in Application Form
- Cost Evidence
 - ✓ Invoices, quotes to support the difference in costings
- End-of-Life boiler evidence
 - ✓ Clear picture of the name plate with the date installed included
 - ✓ Boiler service report dating back to the year of installation
- Feasibility study
 - ✓ Consultant or contractor has visited the site and provided a full feasibility report
 - ✓ Outlines how the proposed low-carbon technologies are suitable for the site
- Energy Consumption Data
 - ✓ Meter data
 - ✓ Bills from the previous year
 - ✓ Up-to-date DEC
- Options Appraisal
 - ✓ Report to show all options have been considered and the final outcome is appropriate for the site
- Specifications (Data Sheets)
 - ✓ Provided by manufacturer
 - ✓ Evidence the performance of the product

Key Checks - Sequencing

Technology - Work Type	Energy Type	Fuel Cost p/kWh	Annual kWhrs Pre-Project	Annual kWhrs Post-Project	
Roof insulation	Gas	3.90	5,433,441	4,690,375	
BEMS - not remotely managed	Gas	3.90	4,690,375	4,147,031	
BEMS - not remotely managed	Electricity	11.27	1,189,043	1,070,139	
Heating pipework insulation (internal)	Gas	3.90	4,147,031	4,049,413	
Cooling - control system	Electricity	11.27	1,070,139	819,009	
Replace steam calorifier with plate heat exchanger	Gas	3.90	4,049,413	2,999,474	
Replace steam calorifier with plate heat exchanger	Electricity	11.27	819,009	1,189,786	
Current Energy Type	Current Fuel Cost p/kWh	Proposed Fuel	Proposed Fuel Cost p/kWh	Current Fuel Displaced (kWhs)	Proposed Fuel Consumption (kWhs)
Gas	3.90	Electricity	11.27	2,999,474	1,169,795

Deadlines



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Change Request Deadline

- We only expect to receive change requests when there is reasonable confidence in the final design.
- One change request per application is advisable.

Monday 11th September 2023

- Salix aims to complete assessments within 20 working days of receiving all supporting information.



Conditions Process



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What are Conditions and when should they be met?

Technical

Delivery

All conditions must be resolved before the **Grant End Date** which is stipulated in your GOL.

Each individual condition is noted in your GOL. Each condition will have a corresponding **Milestone the condition is to be discharged by** and **Expected discharge date**.

Conditions

- Each project has a unique selection of conditions which are added at the initial assessment phase.
- When projects are allocated funding, they are set conditions which must be resolved throughout the delivery of the project to give confidence that the project scope can be delivered on time and to expected carbon savings.
- Each condition will have a corresponding date (Expected discharge date) which marks when Salix expect the client to provide sufficient information for the conditions to be cleared.
- Conditions are required in instances where certain information is either not yet available (for example, if it will be required at final design) or where the current information is insufficient to pass technical assessment (this includes where Salix has technical queries which require improvement).



Most Common Conditions Set

- Updated Application Form
- End-of-Life Boiler evidence
- Energy Saving Calculations
- Data Sheets
- Project Programme
- Risk Register
- Firm Pricing
- Energy & Carbon Monitoring Plan
- Experience and Governance

Support Available



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Salix Relationship Manager



Energy and Carbon Team
(technical@salixfinance.co.uk)



Online resources

**Support
available**

Delayed Completions Process

- **No grant extensions can be provided.**

However...

- Projects that cannot complete within the grant timelines can complete with their own funding.
- Authorising Official must provide letter confirming the PSB will provide any additional funds to complete the project to agreed scope.
- Projects beyond the carbon compliancy limit of £325tCO₂ will need to fund the difference if energy savings change.

Expectations and guidance: Change Requests

- Salix expects all Grant Recipients to notify us, through your Salix Relationship Manager, when you become aware that any changes to your project have become necessary.
- Subsequently, a Change Request must be submitted by the Grant Recipient with all the supporting information for approval by Salix before you can proceed with the implementation of the change so that we may ensure that the change meets the scheme criteria and can be funded through the PSDS.
- Salix will not be able to make payments for works affected by the Change Requests until it is approved.
- Salix cannot accept a Change Request that is submitted retrospectively for works that have already started on site. To do so will put your eligibility to claim PSDS grant funding at risk.

Expectations and guidance: Submitting your Grant Conditions

- Salix expects all grant recipients address the Grant Conditions outlined in your Grant Offer Letter (GOL) promptly when they are due to ensure that the project is on track to deliver its objectives. All the Grant Conditions are critical to ensuring that your project is compliant with the scheme.
- Where your project timeline has changed since the GOL was issued, you will need to keep Salix updated, via the MMR. These changes will impact the dates we will expect you to submit the evidence required to fulfill your Grant Conditions.
- Salix will expect the evidence to clear all the conditions associated with a milestone to have been provided within 1 calendar month of the milestone being completed.
- Failure to provide the evidence to fulfill the Grant Conditions in a timely manner has resulted in projects not receiving all or part of their PSDS 3a funding, this will remain the case for the PSDS 3b funding as well.

Summary

- Process purpose is to support March completions.
- Deadlines designed to enable delivery by the end of the financial year.
- Submit a complete Change Request with all required documentation, no later than the deadline of **Monday 11th September 2023**.
- Each condition is noted in your GOL with a corresponding **Milestone and Date the condition is to be resolved by**. Sufficient information for an individual condition should be made ready by this date.
- Salix Finance – Change Requests:
<https://www.salixfinance.co.uk/schemesphase-3b-public-sector-decarbonisation-scheme/phase-3b-public-sector-decarbonisation-scheme>

Questions?