



Phase 3b Public Sector Decarbonisation Scheme: Completing your project

January 2024



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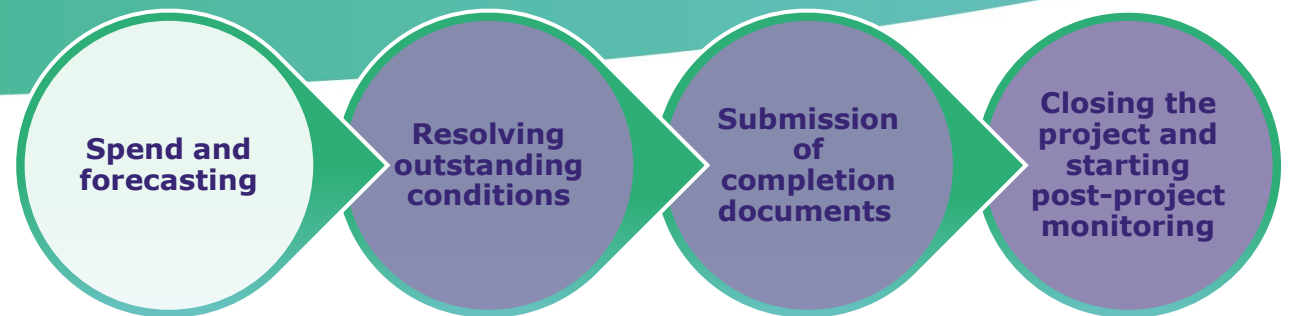
- Forecasting, payments and accruals
- Evidencing spend
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- Post-project monitoring and evaluation
- Guidance and templates
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Please note:

This presentation is relevant for Phase 3b Public Sector Decarbonisation Scheme grant recipients with single year projects



Forecasting, payments, accruals and evidencing spend



Key dates

Forecast and accruals submission deadline	Payment request submission deadline	Date funds will be received by grant recipient
15 January (Period 12)	22 February	20 March
15 February & 15 March	21 March	17 April
15 February & 15 March	18 April	15 May/19th June*

Forecasting, accruals and underspend

Thursday 15 February 2024

If you intend to submit payment claims after period 12 (22 February 24):

- You must complete and submit the first draft of the accruals forecast statement form to forecast any accruals claims for payments to be made in April and May 2024
- Each invoice you have left to claim should be forecasted
- The forecast should only include costs expected to be incurred by 31 March 2024
- The forecast must be as accurate as possible
- The forecast must be signed by your Authorising Official

PSDS Accruals Forecast Statement 23/24

This document must be used if you wish to claim a PSDS Grant Payment from Salix through the 23/24 accruals process. A list of the accruals claim dates can be found in the table below.

A signed copy of this document must be sent to your Salix Relationship Manager on the following dates:

- 15th February
- 15th March

This document is intended to provide Salix with a forecast of your accruals submissions. You may revise your forecast in the second submission, however each submission should be accurate to the best of your knowledge to ensure Salix can draw down appropriate funds to make payment to you.

Organisation				<i>This table auto-populates</i>		
Submission ID				Total to be claimed	£0.00	
Name				Date to submit claim		
Position				21st March 2024		Payment claims submitted on this date will receive funds by 17th April 2024 subject to satisfactory information being submitted
Signature				18th April 2024		Payment claims submitted on this date will receive funds on 15th May 2024 subject to satisfactory information being submitted

STEP 1 - ACCRUALS FORECAST

This section must be completed with all evidence you expect to submit as part of a full payment claim on:

- 21st March 2024
- 18th April 2024

Please use a new line for each invoice or other evidence item you expect to submit, and the date you expect to submit this as part of a full and valid payment request to Salix. To be considered a full and valid payment request you will need to provide Salix with a signed Schedule 5 and Statement of Expenditure, and be fully evidenced with supporting documents such as invoices by the deadlines stated. Final payments are also subject to fulfilling all other requirements of your grant funding.

Milestone	Description	Amount to be claimed from Salix	Date to be claimed	Evidence Type
<i>Please select the milestone which these costs relate to</i>	<i>Please provide a brief description of the works intended to be claimed for e.g. Commissioning of heat pump, installation of LED, Project Management fees</i>	<i>Please state the total amount you intend to claim from Salix for this invoice</i>	<i>Please state the date you will submit this invoice to Salix as part of a payment claim</i>	<i>Please state the invoice number if you know it Other evidence may be accepted on a case by case basis - please state the type below e.g. timesheets</i>



Forecasting, accruals and underspend

Friday 15 March 2024

- An opportunity to revise your 15 February submission based on up-to-date information
- *The accruals forecast statement must be submitted on both 15 February and 15 March 2024*
- If there have been no changes since your 15 February submission you should notify your Salix relationship manager
- Thursday 18 April 2024 is the final date to submit a payment request and claim any remaining 2023-24 Public Sector Decarbonisation Scheme funding
- This must only include eligible project costs incurred by 31 March 2024



Final payment

Thursday 18 April 2024

- This is the final date to submit payment requests
- Payment requests must be accompanied by all supporting evidence for costs which have been incurred by 31 March 2024
- All invoices and any other supporting evidence must clearly show when the works were undertaken
- Documents required:
 - ***Schedule 5: payment request***
 - ***Invoices***
 - ***Statement of expenditure form*** - includes breakdown of your final PSDS payment request; like-for-like costs and client contribution

Evidencing spend

- PSDS funding can only be claimed for works that take place on or before **31 March 2024** - Salix cannot fund any works that take place after this date
- All invoices and any other supporting evidence must clearly show when the works were undertaken
- Evidence dated after 31 March 2024 will only be accepted if it states the works were completed by 31 March 2024
 - *Location, technology, type of expense, dates of work*
 - *e.g. 'Head office heat pump – Contractor fees for 01/03/23 to 31/03/23'*
- All evidence must clearly state the exact works broken down by measure and site
 - Supporting evidence such as breakdown of works can be used if this information is not stated on the invoice

Final statement of expenditure

- The final statement of expenditure template **must** be used for final payment requests
- There are three key sections to complete to fully evidence your total project costs:
 - Final payment request
 - Like-for-like costs – Please provide invoices to evidence how this has been contributed towards the project. Where this equates to less than 12% of the total project cost, please submit evidence to demonstrate that the grant recipient has contributed at least 12% of the total project costs as per the scheme requirements.
 - Client contribution – We ask for a breakdown of where your client contribution has been spent, but we do not ask for invoices to evidence this unless the like-for-like costs are less than 12% (see above point).
- The final payment request and like-for-like costs are required to be evidenced with invoices
- Any retention being claimed as part of your Public Sector Decarbonisation Scheme grant must be clearly stated

STEP 1 - FINAL PAYMENT REQUEST

Please detail the spend incurred on your PSDS project that you wish to claim in this period only, this should be fully evidenced with supporting documents such as invoices.

This section should be completed with:

- a) The payment amounts you would like to claim as part of your final PSDS project payment
- b) Any retention you would like to claim as part of your final PSDS project payment

Description of Expenditure (this can be found on your Application Form in 'Step 4 Support Tool')	Milestone	Type of Expenditure	Date of Document	Document number (if applicable)	Supplier/ Contractor Name	Type of supporting evidence provided e.g. Invoice	Value (£) <i>This should be the total invoice value</i>	Value (inc. VAT) (£) <i>This should be the total invoice value including VAT</i>	Retention (£) <i>Please indicate retention amount only if you are claiming this as part of your PSDS payment claim grant</i>	Date retention to be paid to contractor <i>This must be completed if claiming retention from your PSDS grant</i>	Can you reclaim VAT from HMRC for this expenditure?

STEP 2 - LIKE FOR LIKE COSTS

Please detail the spend incurred on your PSDS project which total the Like for Like costs for the project, this should be fully evidenced with supporting documents such as invoices.

This section should be completed with:

- a) The evidence for the Like for Like costs of your PSDS project

PSDS project like for like costs need to be evidenced with supporting documents such as invoices and the minimum amount you must evidence can be found in the project summary box above

Description of Expenditure (this can be found on your Application Form in 'Step 4 Support Tool')	Milestone	Type of Expenditure	Date of Document	Document number (if applicable)	Supplier/ Contractor Name	Type of supporting evidence provided e.g. Invoice	Value (£) <i>This should be the total invoice value</i>	Value (inc. VAT) (£) <i>This should be the total invoice value including VAT</i>

STEP 3 - CLIENT CONTRIBUTION

Please detail all other spend on your project

This section should be completed with:

- a) How any remaining client contribution has been spent

This does **not** need to be evidenced with invoices but should detail the works it has been spent on so that all claims plus like for like costs and client contribution equal the total project value

Description of Expenditure (this can be found on your Application Form in 'Step 4 Support Tool')	Milestone	Type of Expenditure	Value (£) <i>This should be the total invoice value</i>	Value (inc. VAT) (£) <i>This should be the total invoice value including VAT</i>	Building Name	Postcode	Comments



Like-for-like costs

- All grant recipients are required to contribute funding equivalent to the like-for-like costs of replacing their fossil fuel heating system. This should be a minimum of 12% of the total project value
- These costs need to be evidenced with invoices as part of the final payment request and itemised in part 2 of the ***final statement of expenditure form***
- The amount to evidence will be stated in your final application form (Step 4: Support Tool) and the project summary table of the final statement of expenditure
 - If the like-for-like costs are more than 12% of the total project value, grant recipients must evidence the full cost
 - If the like-for-like costs are less than 12%, then recipients must evidence the minimum 12% client contribution via invoices
- Funding from grant recipients' contribution to the project should be itemised in part 3 of the final statement of expenditure.

Resolving conditions



Where can conditions be found?

- Monthly monitoring report – Step 2.5 Conditions tab
- Page 17 of your original Grant Offer Letter, under Schedule 2
- If you submitted a change request after the original application, any further conditions will be listed in subsequent Grant Amendment Letters

Schedule 2 : Specific conditions

Note to Recipient: The conditions below are to be discharged by providing sufficient evidence to Salix that they have been met and the plan to discharge them is to be set out in schedule 4.

Conditions prior to receiving first payment:

#	Condition	Milestone the condition is to be discharged by	Expected discharge date
1.	The client shall provide a completed Schedule 3, part 4 payment forecast 6 weeks in advance of submitting the first payment request, or by the 15 th March 2022 at the latest.	N/A	15/03/2022

Other Conditions:

#	Condition	Milestone the condition is to be discharged by	Expected discharge date
1.	Planning permissions - Applicant shall investigate and confirm with Salix the requirement for planning permission on both sites to confirm if the installations can be classed as permitted development or if applications will need to be submitted.	Pre tender	01/04/2022
2.	Detailed peak heat loss calculations are to be completed to accurately size the heat load for each building.	Post design	14/04/2022
3.	Feasibility Study - Provide feasibility study as part of final		

The approval is subject to the following additional Schedule 2 conditions:

Condition 1: Confirm that the contract for the BMS and AMR upgrades has been awarded by 31st October.



Conditions submissions

- Grant recipients cannot receive their final payment until **all outstanding conditions are resolved**
- Any remaining conditions (except those associated with the milestone 'Final commissioning') are due on **31 January 2024**
- All conditions must be submitted **20 working days** before your final payment request submission date, to allow sufficient time for these to be reviewed and resolved
- Any conditions due to be submitted when your project is at the 'Completed on site' or 'Final commissioning' milestone must be submitted by **29 March 2024**



Conditions example

A grant recipient forecasts their final payment for the first accruals period, which has a payment request deadline of 21 March 2024

Condition description	Milestone	Deadline	Reason
Data sheets	Orders placed	31 January 2024	ALL conditions except those associated with 'Final commissioning' are due by 31 January
Application form	Final commissioning	22 February 2024	All remaining conditions are due 20 days before the final payment request submission deadline

Standard conditions – what is required?

- **Updated application form** - Any changes to project costs or energy savings must be updated in the application form and this must be provided to Salix, along with evidence of energy savings and firm costs. The supporting information must match the figures listed in the revised application form.
- **Energy savings calculations** - Excel calculations (unlocked) must be provided for all measures included in the application form to determine how the annual savings have been calculated. The figures listed in the documentation **must** match the figures listed in the application form. PDFs with summary figures cannot be accepted at the post-tender stage.
- **Data sheets** – Technical specifications must be provided for all measures listed in the application form. The documents should contain technology specific information to evidence the energy saving calculations.

If in doubt, please contact your Salix relationship manager.



Fulfilling outstanding conditions

- When providing evidence please label it as clearly as possible to support the assessment of those conditions
- Should you have any questions or concerns about resolving conditions, your Salix relationship manager is available to support



The completions process



Completions process overview

1. Grant recipient informs Salix the project is nearing completion

2. Salix will confirm all conditions have been resolved and any outstanding information required

3. Grant recipient submits all completion documents to Salix

4. Salix validates information and documentation to approve final payment and project closure

5. Post-completion monitoring begins

1. Grant recipient informs Salix the project is nearing completion

- When the project is nearing completion, it is important to prepare for the completions process by:
 - Confirming if there are any final adjustments from the current, Salix-approved project scope
 - Identifying if there will be any retention and, if so, the value and payment date
 - Gathering the information for any outstanding conditions (detailed in your original Grant Offer Letter and any subsequent Grant Amendment Letters)
 - Gathering all the final invoices for your project and preparing your contractors to invoice promptly after the completion of final grant funded works
- If you are using your own funding to complete the project after the 31 March deadline, has your Authorising Official written to Salix to confirm that this funding is in place to complete the project to the agreed scope? If not, please ensure this confirmation is provided promptly.

2. Salix will confirm all conditions have been resolved and any outstanding information required

- Your Salix relationship manager will be on hand to guide you through the process
- It is important that wherever possible you highlight any potential delays to your relationship manager as soon as possible
- Resolving outstanding conditions in advance as well as providing as much evidence as possible for final payment (invoices, contracts etc.) before starting the completions process will make it simpler and quicker to complete

3. Grant recipient submits all completion documents to Salix

The documents required by Salix for project closure are:

- A final monthly monitoring report confirming project completion
- Evidence to support the closure of all conditions from your Grant Offer Letter/Grant Amendment Letter
- Final statement of expenditure with invoices to evidence Public Sector Decarbonisation Scheme spend, like-for-like costs and client contribution and any retention or commissioning costs
- Completion certificates for all sites/works
- Photographic evidence of installation and completion of key measures
- Warranty certificates
- Boiler decommissioning certificates or decommissioning plans
- If remaining works are being funded from other sources in order to complete the project after the grant end date, a letter from the Authorising Official confirming that this funding has been secured is required to be submitted by 14 March 2024
- If there have been any final adjustments to the project costs or energy savings figures (e.g. following final invoicing), an updated application form and supporting calculations should also be provided to confirm the final eligible grant value



4. Salix validates information and documentation to approve final payment and project closure

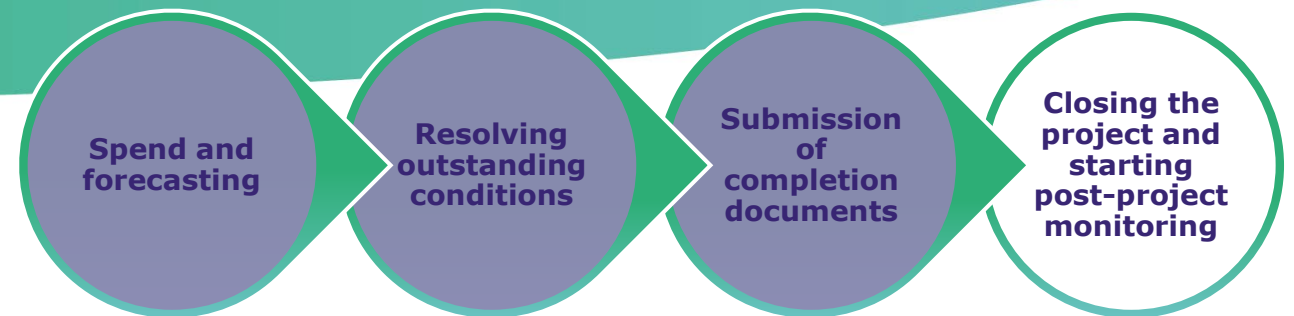
- Your Salix relationship manager will review all the information provided
- Should you receive a request for additional information, please respond as quickly as possible and inform your relationship manager if there is any delay in providing this information
- Your relationship manager will confirm when all the required information has been received
- When all information received has been validated, Salix will issue a letter confirming the final grant value and project closure

5. Post-completion monitoring begins

- Once all the required information has been received and validated, Salix will issue a project closure letter
- This letter will detail the steps to take and the information required for the post-project monitoring
- A Salix relationship manager will be on hand to support you with any queries you may have during the monitoring period
- Please support us by submitting your annual carbon report in a timely manner



Post-project monitoring and evaluation



Post-completion annual reporting overview

1. Salix will email grant recipients a reminder when the annual carbon report is due

2. Grant recipients complete and return the annual carbon report

3. Salix's technical team will review the report

4. Salix will confirm when the report has been approved



Post-completion annual reporting

- The annual carbon report should be returned for three years following project completion - the first report is due approximately one year post completion and reports will be collected in Q1 of each financial year
- The first year's report should be submitted alongside evidence of any retentions paid to contractors, supported by invoices and a statement of expenditure which will be checked against the retention value declared during the final payments process
- Salix will complete a review of your report, resolving any issues in partnership with you
- Once the reports are approved by the Salix technical team, the relationship manager is notified, and a confirmation letter of approval will be sent
- At the end of the three years, Salix will send you confirmation that the monitoring period is complete, and reports are no longer required



Is your project completing by 31 March 2024?

If your project will not be completed and fully commissioned by the grant end date you might follow a different process, as listed below:

1. Delayed completion – where practical completion will be achieved after the grant end date using alternative funding
2. Delayed commissioning – where all installations are complete, but commissioning is delayed beyond the grant end date due to factors outside the grant recipient's control
3. Partial completion – for projects unable to complete to the agreed scope

Further guidance on the different completion scenarios can be found on the ['Completing your project'](#) page of the Salix website



Guidance and templates



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Final payment guidance

Website link: [Requesting final 2023-24 payment from Salix](#)

Excel templates:

- Accruals forecast statement form
- Final payment statement of expenditure

Guidance PDFs:

- Retention guidance
- Accruals 2023-24 guidance
- Like-for-like costs guidance
- Commissioning costs guidance
- DNO costs guidance
- Breakdown of works guidance
- Vesting certificates guidance
- Permitted spend guidance



Completions process guidance

Website link: [Completing your Phase 3b PSDS project](#)

Guidance PDFs:

1. Standard completion guidance
2. Delayed commissioning guidance
3. Delayed completion guidance
4. Partial completion guidance



Any questions?

Frequently asked questions website link: [Final payment and completion FAQs](#)

Email: psdsdelivery@salixfinance.co.uk

Call: [020 4542 6439](tel:02045426439)

Your relationship manager is also on hand to support with any queries you may have on the completions process for your project



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