

# Public Sector Decarbonisation Scheme

## Early Spend: Guidance

*Last updated version: February 2024*

### Introduction

Salix and the Department for Energy Security and Net Zero are aware of the inherent risks in delivery of complex capital works projects and we recognise that the earlier projects can start, the more effectively these risks can be managed. To support grant recipients to manage this and other risks, Phase 3c Public Sector Decarbonisation Scheme grant recipients are able to spend grant money as soon as their Grant Offer Letter is signed and returned to Salix (i.e. the grant start date).

Costs for project works undertaken between the grant start date and 31 March 2024 may be drawn down from Salix as 'early spend'. As Salix will make payment for these works in the financial year after the costs were incurred, early spend claims must align with the Public Sector Decarbonisation Scheme accruals process and therefore any early spend must be correctly forecasted using the process outlines below. If you do not provide us with this payment forecast, you will be unable to claim grant funding for works taking place up to 31 March 2024 and therefore any costs not claimed from Salix will need to be covered by your minimum client contribution.

For projects which successfully claim early spend, the amount claimed will be deducted from your project's year 1 grant allocation. This will not increase the total grant allocation specified in your Grant Offer Letter.

### How do I claim an early spend accruals payment?

An early spend claim must be correctly forecasted through our accrual forecasting process to be able to claim payment. **Any claims which have not been forecasted through this process will not be able to be claimed.**

#### Step 1

Complete the early spend forecast statement and submit this to your Salix relationship manager no later than **15 March 2024**.

#### Step 2

Submit a full payment claim no later than **18 April 2024**. This must include:

- A signed Schedule 5 payment request
- A statement of expenditure in Excel and signed PDF format
- Supporting evidence - all invoices must be dated after the Grant Offer Letter was signed (i.e. the grant start date). Any invoices dated prior to this date will be rejected. Invoices dated after 31 March 2024 must

clearly state when the works took place. Only costs for works undertaken between your grant start date and 31 March 2024 will be considered eligible to be claimed as 'early spend'.

### **How do I complete the early spend forecast statement?**

The accruals forecast statement can be requested from your Salix relationship manager or [downloaded on our website, here.](#)

- Complete 'Step 1 – Accruals Forecast'
  - Please list each invoice you are expecting to claim as part of your early spend payment request
  - Each invoice should be listed on a new line
  - Please provide as much detail as you can on the associated project milestone and description of works expected to be claimed  
*e.g. Design works for the installation of a Ground Source Heat Pump at Campus Block C on Site A*
  - The date to be claimed must be entered as a date prior to 18/04/2024
  - Please provide as accurate information as possible on the amount you will be claiming from Salix and the date you expect to submit the claim (*invoices will need to be received prior to the date to be claimed from Salix*). This will auto populate your total forecast amount.
  - Indicate the evidence type expected. We would expect this to be invoices in most cases. Any other evidence types may need to be discussed with your relationship manager to ensure it is sufficient for Salix to approve the payment request.
- Complete: Organisation, Submission ID, Scheme, Name, Position and Signature
  - Please note the statement must be signed by someone at the Public Sector Body to be valid. Typed signatures are not acceptable. This can be sent to you via DocuSign for signature, please contact your Salix relationship manager if you need assistance with this.

#### ***Example:***

You will be receiving an invoice from Contractor B for the design works of heat pumps at Site A on 05 April 2024. The invoice total is expected to be £10,000 and you will be claiming £8,000 of this from Salix.

STEP 1 - EARLY SPEND FORECAST				
This section must be completed with all evidence you expect to submit as part of a full payment claim on or before: 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. Please note invoices must be for works which incurred within the eligible early spend period, which is from the date the Grant Offer Letter was signed up to 31st March. Invoices dated after 31 March need to clearly state that they are for works that took place within the eligible period (up to 31st March).				
Please select the milestone which these costs relate to	Please provide a brief description of the works intended to be claimed for e.g. Design works for Heat Pump at Site A	Please state the total amount you intend to claim from Salix for this invoice	Please state the date you will submit this invoice to Salix as part of a payment claim. This must be prior to 18 April 2024	This should typically be invoices. 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, DNO acceptance letter
Milestone	Description	Amount to be claimed from Salix	Date to be claimed	Evidence Type
Pre-design stage	design works of heat pumps at Site A	£8,000.00	18/04/2024	Invoice

## What are the early spend payments dates?

The table below lists the key dates to be aware of to submit an early spend claim. two dates to submit an accrual payment claim. To claim a payment on these dates, **you must have submitted a forecast** and you must submit a full payment request on or prior to the deadline to submit payment request to Salix.

A full payment request must include a signed Schedule 5, signed statement of expenditure and supporting invoice evidence. If any of this information is missing or unsatisfactory, your payment claim may be delayed or rejected.

Please note that **18 April 2024** is the final date to submit an early spend claim. If you have not submitted your early spend claim by this date you will **not** be able to claim early spend and these costs will need to be covered by your minimum client contribution regardless of whether they were forecasted as a grant claim.

Deadline to submit payment request to Salix	Deadline to forecast	When will the funds be received? *
18 <sup>th</sup> April 2024	15 <sup>th</sup> March	15 <sup>th</sup> May 2024

\*Subject to satisfactory information and documentation being received