

## Phase 5 LCSF: Payment Process Guidance Notes

The purpose of this guidance note is to present a brief explanation for the Phase 5 Low Carbon Skills Fund (LCSF) payment process. We recommend reading the entire document before proceeding with the payment steps. The document contents are:

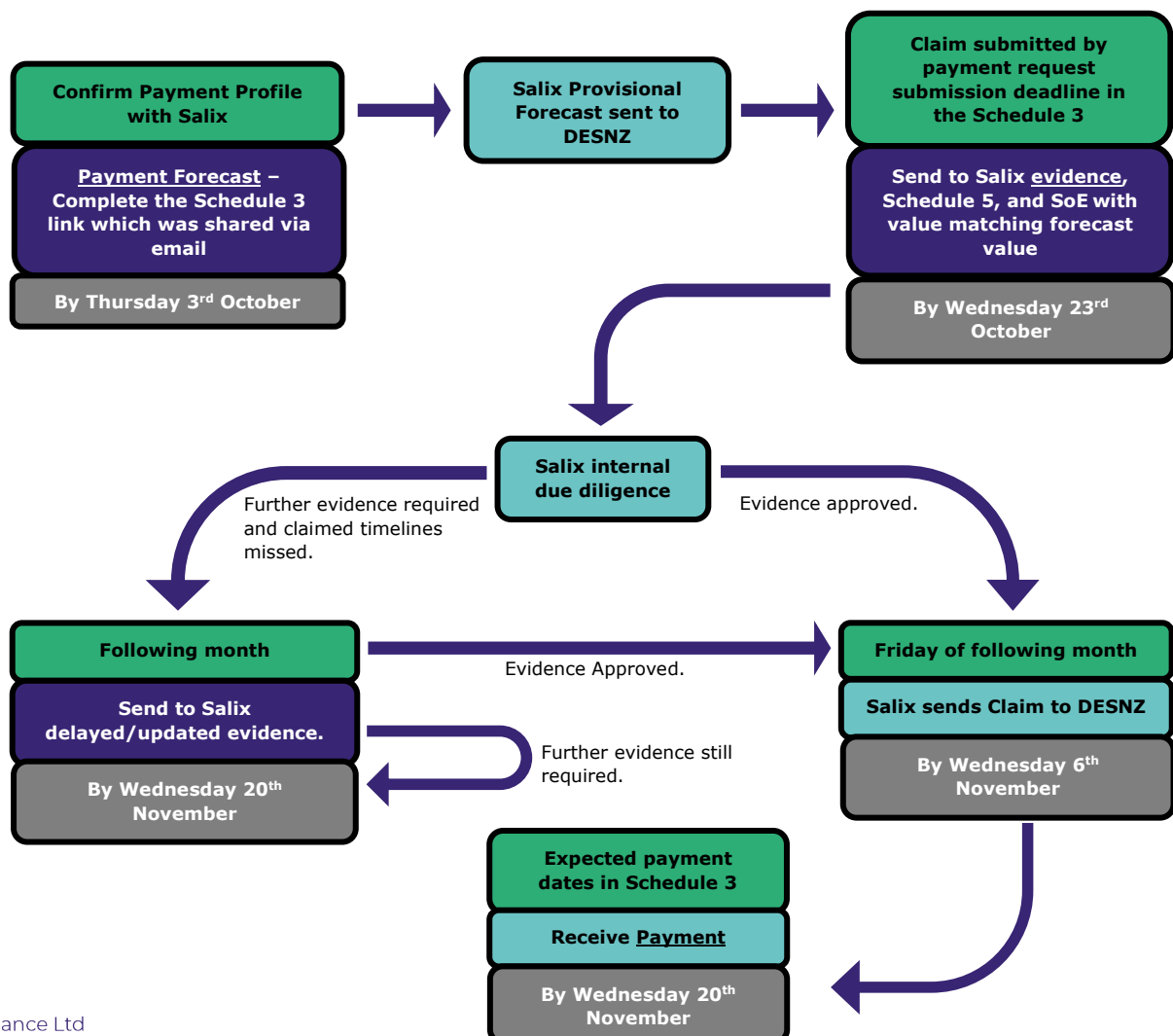
- Payment Timeline
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### Payment Timeline

**Dark** boxes below refer to a client action, whilst **light blue** means a Salix action. **Grey** boxes provide an example of the dates required for November payments. These dates match the case study provided on page 3.

Please note, the first possible payment month is September 2024, for which forecasts need to be received before 5<sup>th</sup> August 2024. This allows time for Salix to draw down funds from government.

After receiving your CRM logins, you should have submitted an initial forecast online. This will need to be reconfirmed alongside the second Monitoring Report deadline (7<sup>th</sup> November 2024).



## Forecast Payment Schedule

Payment month	Payment profile to be confirmed with Salix	Payment request submission deadline	Date of expected payment
September 2024	15/07/2024	21/08/2024	18/09/2024
October 2024	15/09/2024	18/09/2024	16/10/2024
November 2024	16/10/2024	23/10/2024	20/11/2024
December 2024	15/11/2024	20/11/2024	18/12/2024
January 2025	15/12/2024	06/01/2025	22/01/2025
February 2025	16/01/2025	22/01/2025	19/02/2025
March 2025	15/02/2025	19/02/2025	19/03/2025
April 2025	TBC	20/03/2025	TBC
May 2025	TBC	12/04/2025	TBC

## Documentation Requirements and Links

Required Documents for Payment:

- Schedule 5 Payment Request as a signed PDF; Note, this figure should match the payment value and month cited in an updated Schedule 3.
- Evidence of need; **Invoices** - Please confirm with your contractor when these will be available as Salix are unable to process claims without full invoice evidence supporting the value requested in Schedule 3 & 5. Please ensure the invoice references Phase 5 LCSF.
- Signed Statement of Expenditure (SoE); Please return as an Excel and signed PDF document along with the documents mentioned above.

## Avoiding common delays and issues

Here we highlight some of the most common ways in which payments have been delayed, and the best solutions to these challenges:

### **FAQ: - Purchase orders: Can I send a purchase order instead of an invoice as evidence of expenditure?**

A: Salix are unable to accept purchase orders instead of invoices. We accept them as support for invoices and they may be requested to support the submission of multiple invoices. However, please ensure you are only forecasting values you know will be supported by invoices.

### **FAQ: – Invoice format: Can invoices be sent in word/email/screenshot format?**

A: Salix are unable to accept any unofficial invoice. Please ask contractors to supply invoices in PDF or scanned, signed hard copies. Please note, the invoice should reference Phase 5 LCSF and the purpose of the work with respect to the project.

## Case Study

This section provides an example of a client that is making a payment request, and the actions that should be taken to receive this payment from Salix.

**Step 1:** Confirm with the contractor the date of invoice and the amount on the invoice and when this will have gone through your internal validation processes.

**Step 2:** Inform Salix by Friday 9<sup>th</sup> August forecast for the grant drawdown value(s) and month. Example 1 indicates how to complete Schedule 3 with no interim payment on receipt of final invoices. One interim payment is optional and can be requested by completing Schedule 3 as demonstrated in Example 2.

(Example 1)

1. EXPECTED INTERIM VALUE (£) (OPTIONAL)	<input type="text"/>
2. EXPECTED DATE INTERIM PAYMENT REQUEST WILL BE SUBMITTED (OPTIONAL)	<input type="text"/>
3. EXPECTED FINAL PAYMENT VALUE (£) *	<input type="text" value="40,000.00"/>
4. EXPECTED FINAL DATE PAYMENT REQUEST WILL BE SUBMITTED *	<input type="text" value="22/01/2025"/>

(Example 2)

1. EXPECTED INTERIM VALUE (£) (OPTIONAL)	<input type="text" value="15,000.00"/>
2. EXPECTED DATE INTERIM PAYMENT REQUEST WILL BE SUBMITTED (OPTIONAL)	<input type="text" value="18/09/2024"/>
3. EXPECTED FINAL PAYMENT VALUE (£) *	<input type="text" value="25,000.00"/>
4. EXPECTED FINAL DATE PAYMENT REQUEST WILL BE SUBMITTED *	<input type="text" value="22/01/2025"/>

**Step 3:** Collate evidence (invoices) before the month of payment (in Example 1, the invoices should be provided by 22/01/2025 for a February payment and fill in the Statement of Expenditure accordingly. The earlier this can be provided the more time Salix will have to come back with any queries increasing the likelihood of a successful payment within the payment window. Funds are received from DESNZ once per month so if the payment window is missed, Salix will be unable to pay clients until the following month.

**Step 4:** Send over invoices, Schedule 5, and Statement of Expenditure when all evidence has been received from consultant/contractor. Ensure figures match the requested drawdown.

**Step 5:** *If changes are required*, please correct Statement of Expenditures/Schedules and provide further evidence to Salix.

**Step 6:** Receive payment before the end of month.