

Public Sector Decarbonisation Scheme (PSDS) – Phase 3b payments

June 2023



| salixfinance.co.uk

Contents

- Welcome
- The payment process
- Payment timelines
- Forecasting payments
- Submitting payment requests
- Q&A session



The payment process



| salixfinance.co.uk



Step 1 – All payment requests need to be forecasted in your Monthly Monitoring Report (MMR) Step 3 Forecast Tab



Step 2 – Payment request documentation is submitted to Salix by the deadline shown on your MMR



Step 3 – Salix reviews payment request and makes payment. Funds will be received by the date shown on your MMR

Payment Process overview



- All payment claims must be forecasted in your Monthly Monitoring Report (MMR)
- Salix draws down funds from HM Treasury in advance
- Any unforecasted claims cannot be paid
- Payment claims are then submitted to Salix by the '*last date to submit payment request date*' stated on the MMR
- Payment claims are on an evidence of need basis
- **Accurate forecasting is essential – inaccurate forecasts impact our ability to make payments**

Payment timelines



| salixfinance.co.uk



Payment timelines

Payment Period	<u>Deadline to forecast (MMR Submission)</u>	<u>Deadline to submit payment request</u>	Date to receive funds by
Period 2	Wed-15-Mar	Thu-27-Apr	Wed-24-May
Period 3	Fri-14-Apr	Thu-25-May	Wed-21-Jun
Period 4	Mon-15-May	Thu-22-Jun	Wed-19-Jul
Period 5	Thu-15-Jun	Thu-20-Jul	Wed-16-Aug
Period 6	Fri-14-Jul	Thu-24-Aug	Wed-20-Sep
Period 7	Tue-15-Aug	Thu-21-Sep	Wed-18-Oct
Period 8	Fri-15-Sep	Thu-19-Oct	Wed-15-Nov
Period 9	Fri-13-Oct	Thu-23-Nov	Wed-20-Dec
Period 10	Wed-15-Nov	Wed-04-Jan	Wed-24-Jan
Period 11	Fri-15-Dec	Thu-25-Jan	Wed-21-Feb
Period 12	Mon-15-Jan	Thu-22-Feb	Wed-20-Mar

Forecasting payments



| salixfinance.co.uk



Forecasting payments

- Payment period starts on the 15th with a forecast in the MMR submission
- The forecast should be what is claimed in the corresponding period
- We cannot guarantee payment for large variances
- If there is consistent variance in forecast vs. actuals we may not be able to include your forecast in the next payment period
- Salix shares information with HM Treasury up to two months in advance of payment to grant recipients
- Forecasts cannot be changed once shared with HM Treasury

Example

- You will receive invoices from your contractor on 20th August for orders placed.
- To claim this payment you will need to forecast this claim in your MMR submission on 14th July
- You will need to submit these invoices as part of a full payment claim by 24th August. Funds will be received by 20th September

Payment Period	<u>Deadline to forecast (MMR Submission)</u>	<u>Deadline to submit payment request</u>	Date to receive funds by
Period 6	Fri-14-Jul	Thu-24-Aug	Wed-20-Sep

Guidelines



Meet with contractors and suppliers to agree invoicing dates and values



Ensure your Accountable Officer will be available to sign the payment request documents

Email confirmation from the AO required to appoint authorised personnel



Payment document templates and video guides for completing these are available on the Salix website



Your Salix Relationship Manager is here to help with any queries



There is no requirement to forecast a payment every month unless your project cashflow requires this



Monthly Monitoring Report - forecasting

Step 3: Project Programme Forecast

Organisation Name:	EXAMPLE	Grant allocation:	£1,000,000.00
Project Reference:	3000	Has the Forecast changed since your previous report?	Yes
Date completing forecast:	14/04/2023	Year to date actual:	£0.00 0%
Name of person completing forecast:	Joe Bloggs	Remaining forecasted grant:	£0.00 0%
Position in the organisation:		Funding still to forecast:	£1,000,000.00 100%

The table below needs to be populated with the forecasted payment requests you expect to submit to Salix. The table shows the final date to forecast a payment request to Salix each month and the final date when you must submit the corresponding payment request. Forecasts must be completed by the 'Last day to Forecast to Salix' date in order to guarantee payment and the subsequent payment request should match the forecast. Please only forecast a payment in a period if you will be able to submit evidence of need, such as invoices, for the payment by the 'Last day to submit payment request' date. There is no requirement to add a forecast in each month and inaccurate forecasting may impact on the total forecast should add up to your Salix grant allocation unless you have an underspend which you have notified Salix of.

	Early Spend	Period 2	Period 3	Period 4	Period 5	Period 6	Period 7	Period 8	Period 9	Period 10	Period 11	Period 12	FY 24/25 Period 1 (Accruals)	FY 24/25 Period 2 (Accruals)
Forecast vs Claimed vs Actual:	Forecasted	Forecasted	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Last day to forecast to Salix:	15/03/2023	15/03/2023	14/04/2023	15/05/2023	15/06/2023	14/07/2023	15/08/2023	15/09/2023	13/10/2023	15/11/2023	15/12/2023	15/01/2024	15/02/2024	15/03/2024
Last day to submit payment request:	20/04/2023	27/04/2023	25/05/2023	22/06/2023	20/07/2023	24/08/2023	21/09/2023	19/10/2023	23/11/2023	04/01/2024	25/01/2024	22/02/2024	TBC	TBC
To receive payment from Salix on:	17/05/2023	24/05/2023	21/06/2023	19/07/2023	16/08/2023	20/09/2023	18/10/2023	15/11/2023	20/12/2023	24/01/2024	21/02/2024	20/03/2024	TBC	TBC
Project approval														
Pre-design stage														
Designs complete														
Out to tender														
Tenders complete														
Orders placed														
Works in progress on site														
Completed on site														
Final commissioning														
Total	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
% of total grant	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

UNDER

ERROR - FORECAST ENTERED IS DIFFERENT FROM GRANT ALLOCATION - PLEASE CHECK



Step 3: Project Programme Forecast

Organisation Name:	EXAMPLE	Grant allocation:	£1,000,000.00	
Project Reference:	3000	Has the Forecast changed since your previous report?	Yes	
Date completing forecast:	14/04/2023	Year to date actual:	£0.00	0%
Name of person completing forecast:	Joe Bloggs	Remaining forecasted grant:	£0.00	0%
Position in the organisation:		Funding still to forecast:	£1,000,000.00	100%

- The forecast should be updated each month to reflect invoices expected for future periods
- *Date completing forecast* should be updated
- *Year to date actual* + *Remaining forecasted grant* need to equal the grant allocation
- *Funding still to forecast* should be £0

The table below needs to be populated with the forecasted payment requests you expect to submit to Salix. The table shows the final date to forecast a payment request to Salix each month and the final date when you must submit the corresponding payment request and supporting evidence to secure payment. Forecasts must be completed by the 'Last day to Forecast to Salix' date in order to guarantee payment and the subsequent payment request should match the forecast. Please only forecast a payment in a period if you will be able to submit evidence of need, such as invoices, for the payment by the 'Last day to submit payment request' date. There is no requirement to add a forecast in each month and inaccurate forecasting may impact our ability to make payments to you. The total forecast should add up to your Salix grant allocation unless you have an underspend which you have notified Salix of.

Forecast vs Claimed vs Actual:	Early Spend	Period 2	Period 3	Period 4	Period 5	Period 6	Period 7	Period 8	Period 9	Period 10	Period 11	Period 12	FY 24/25 Period 1 (Accruals)	FY 24/25 Period 2 (Accruals)			
	Forecasted	Forecasted	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast			
Last day to forecast to Salix:	15/03/2023	15/03/2023	14/04/2023	15/05/2023	15/06/2023	14/07/2023	15/08/2023	15/09/2023	13/10/2023	15/11/2023	15/12/2023	15/01/2024	15/02/2024	15/03/2024			
Last day to submit payment request:	20/04/2023	27/04/2023	25/05/2023	22/06/2023	20/07/2023	24/08/2023	21/09/2023	19/10/2023	23/11/2023	04/01/2024	25/01/2024	22/02/2024	TBC	TBC			
To receive payment from Salix on:	17/05/2023	24/05/2023	21/06/2023	19/07/2023	16/08/2023	20/09/2023	18/10/2023	15/11/2023	20/12/2023	24/01/2024	21/02/2024	20/03/2024	TBC	TBC			
Project approval																£0.00	£0.00
Pre-design stage																£0.00	£0.00
Designs complete																£0.00	£0.00
Out to tender																£0.00	£0.00
Tenders complete																£0.00	£0.00
Orders placed																£0.00	£0.00
Works in progress on site																£0.00	£0.00
Completed on site																£0.00	£0.00
Final commissioning																£0.00	£0.00
Total	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00		£0.00	
% of total grant	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%		0%	

UNDERSPEND -£1,000,000.00

ERROR - FORECAST ENTERED IS DIFFERENT FROM GRANT ALLOCATION - PLEASE EXPLAIN WHY BELOW

Reasons for changes to forecast (including Underspend): Please add the reasons below

Main Reason	
Details	

- Forecasted amounts should reflect what you expect to be able to submit as a payment request by the last day to submit date
- This forecast needs to be as accurate as possible
- Commentary should be provided for any underspend or significant changes
- **Only PSDS funding** should be included (do not included your own contribution)



Submitting payment requests



| salixfinance.co.uk



Submitting payment requests



Payment is subject to **accurate forecasting** and meeting **other requirements of the grant**



Deadline to make claims is the '**last day to submit payment request**' date which can be found on the MMR



Submit **prior** to deadline where possible

Due to the due diligence checks we need to carry out, and to make sure we have sufficient time to query any submissions, we are unable to make payment where documents are submitted to Salix after the final submission deadline each month



Payments & other grant requirements

To help ensure we are effectively managing PSDS projects we can only make payments where;

- Salix has received your **Monthly Monitoring Report**, for the purpose of having an accurate picture of project development and up to date forecasting, to verify payments are aligned to the needs of the project
- Any **conditions** outlined in your grant offer letter are resolved promptly and in line with the timelines in schedule 2 to ensure projects meet the scheme criteria
- Any **change request criteria** are resolved to provide assurance that the scope submitted meets the scheme criteria

Payment request documents

1. Schedule 5 Payment Request

- Template found in your Grant Offer Letter or requested from your relationship manager
- Details value and bank details
- Signed by Accountable Officer (can be done via DocuSign)

2. Statement of Expenditure

- Excel document to list the evidence provided in each submission
- Signed by Accountable Officer in PDF format (not a typed signature)
- All fields must be completed

3. Evidence (invoices)

4. If you have submitted a payment request different to the forecasted claim, you must submit a revised forecast

- Check that all of the above are consistent

Payment request documents – invoices

Clearly addressed to the grant recipient

Includes your PSDS Project Reference

Clearly states what works have taken place and the related technology

Each site should either be a separate invoice or provided as a clear breakdown on the invoice

A valuation or breakdown of works may be required for larger invoices or where invoice description is not detailed enough

Example Invoice - Accepted

Invoice to:	ASHP Company LTD
Billing Address	Heating Lane
Example Council	Heating Town
Example Road	HE3 4NG
Example Town	email@email.com
EX7 9PL	Tel: 01000 000 000

Customer: Example Council

Purchase Order Number (PO):

Unique Identification number/Invoice Number: 0123

Date on the invoice: 01/06/2023

Description: Example Council PSDS3b Decarbonisation Project Submission ID: 30000

Site Name 1

Solar PV design fees x1 @ £1,000.00

Planning application fee x1 @ £250.00

Site Name 2:

Orders placed 1x Make & Model Heat Pump @ £50,000.00

Sub Total: £51,250.00 (amount excluding VAT)

Total VAT 20% £10,250.00 (VAT)

Total Amount due: £61,500.00 (total amount including VAT)



salixfinance.co.uk

VAT registration number: Company registered address



Example Invoice – Not Accepted

Invoice to:

Example Council

Example Road

Example Town

EX7 9PL

ASHP Company LTD

Heating Lane

Heating Town

HE3 4NG

Emails@email.com

Tel: 0100 000 000

Customer: Example Council

Invoice Number: 0123

Date: 01/06/2023

Description: Example Council PSDS3b Decarbonisation Project

Milestone 1: £51,250.00

Sub Total: £51,250.00

Total VAT 20% £10,250.00

Total Amount due: £61,500.00



Schedule 5

Schedule 5 : Payment Request

To: Salix Finance Limited 6th Floor
75 King William Street
London
EC4N 7BE

For the attention of: Phase 3 Public Sector Decarbonisation Scheme Team
Email: phase3PSDSgrants@salixfinance.co.uk

From:

Date:

Submission ID:

Description of Project:

Dear Sirs/Madams,

Phase 3 PSDS Grant Offer Letter dated **DATE** entered into between Salix and the Recipient

1. We refer to the Phase 3 PSDS Grant Offer Letter. This is a Payment Request. Words and expressions defined in the Phase 3 PSDS Grant Offer Letter have the same meaning in this Payment Request unless given a different meaning in this Payment Request.

2. We hereby request part payment of the grant as follows:

Amount:

Payment date:

3. The bank details into which the PSDS grant is to be paid are as follows:

Name of Account:

Sort Code:

Account Number:

4. We confirm that as at the date of this Payment Request and on each payment date:

- each payment of the Phase 3 PSDS grant that has been received to date has been used for the Phase 3 PSDS grant purpose;
- each payment of the Phase 3 PSDS grant that has been received to date has been spent on those items of expenditure listed in the Phase 3 PSDS grant application and such items have not exceeded the forecasted amounts listed in the Phase 3 PSDS grant application (without

.....

The Accountable Officer

Date

.....

Print name

Job title

For and on behalf of



Statement of Expenditure



PHASE 3 - PSDS STATEMENT OF EXPENDITURE

Cerfication Clause: I certify that the amounts detailed below have been actually, properly and necessarily expended in accordance with the provisions of the PSDS Grant terms and conditions

Organisation Name	<input type="text"/>
Submission ID	<input type="text"/>
Project Reference	<input type="text"/>
Authorising Official (Name)	<input type="text"/>
Position	<input type="text"/>
Signature	<input type="text"/>
Date	<input type="text"/>

Column Total	Column Total	Column Total
0.00	0.00	0.00

Please detail the spend incurred on your PSDS project to date, this should be fully evidenced with supporting documents such as invoices.

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 (£)	Value (inc. VAT) (£)	Can you reclaim VAT from HMRC for this expenditure?	Payment amount to be claimed	Building Name	Postcode	Comments



DNO works

- DNO works may need to be paid upfront
- In these cases we can accept:
 - DNO agreement (including summary of the works and explanation of why costs are needed up front)
 - PO if available or reason as to why not
- DNO works are an **exception** to the need for invoices for payment
- Invoices should be provided once available

Q&A session



| salixfinance.co.uk



Thank you

Email: info@salixfinance.co.uk

Call: 020 4542 6439

Your Salix Relationship Manager is also on hand to support with any queries you may have on the payments process for your project



| salixfinance.co.uk

