

## Public Sector Decarbonisation Scheme

### PSDS Section 31 Delayed Completion Guidance

#### Purpose

The delayed completion guidance is to be used when Section 31 funded PSDS projects will complete after the 30 June 2022. Funding for project activities taking place from 1 July 2022 will need to be covered by the grant recipient from alternative sources.

Please note: Separate guidance is available for the following:

- Section 31 Standard Completion Process
- Section 31 Partial Completion Process

The purpose of this guidance is to set out the steps to be followed by the grant recipient during the completion process. All PSDS funded works are to be completed by 30 June 2022 and all grant recipients need to submit all their evidence and the required documentation to Salix Finance within 1 calendar month of their practical completion date.

Additionally, the scheme will continue to be monitored, and the grant recipient bound by the terms and conditions of the grant, until practical completion of the overall scheme.

There are limited exceptions where the final grant end date may cover payments that will be made after 30<sup>th</sup> June, as set out below:

**Retention payments.** The only exception where the final grant payment may cover payments that will be made after the grant end date is retention payments. These are payments held back to ensure that the works undertaken by the contractor have been completed to the desired standard and/or to fix issues that arise after the project has been completed, including snagging. To be eligible for retention payments, grant recipients must provide evidence in the form of contractual documents and/or invoices that clearly show the amount of the retention payment and under what conditions it will be paid. Retention payments will be made as part of the final payment on completion.

Please note that for retention payments, you need to speak to your Salix Finance relationship manager and agree these before you commit to them. Salix Finance will ask to see the evidence to support your final payment before agreeing to any plans for these. Clients should provide firm evidence of both before their final payment is issued.

**Commissioning.** As a client you may find that you have completed all the project works by 30 June 2022, but for reasons outside the projects' control, e.g., you may be awaiting DNO works to complete or there are other works at the site that prevent the system being switched on and tested. If this is the case, please speak to your Salix Finance relationship manager.

## **What is a Delayed Completion?**

Projects are defined as delayed completions when they will not complete by 30 June 2022, and the grant recipient has committed to fund the remaining outstanding measures beyond this date.

### **Key principles**

As the PSDS will account for, and report on, all the carbon savings from the projects, the grant recipient will be bound by the terms and conditions of the grant till practical completion. This will include submission of monthly monitoring reports, Schedule 3 of the Grant Offer Letter.

The grant recipient will also be required to provide a letter providing written confirmation, from the S151 Officer, to confirm the specific works and costs which will be funded by alternative funding sources after the grant end date and the expected completion date.

A Grant Amendment Letter will then be issued containing the revised practical completion date.

### **Required documents for completion of PSDS funded works by 30 July 2022**

1. Revised support tool to finalise the PSDS funded amount. Please clearly reference any permitted spend on a separate line of the support tool where possible.
2. Invoices\*
3. Statement of Expenditure (SoE) – Costs should itemise the value and proportion of the retention costs against the total project value
4. Contractor name webform (sent by your SRM)
5. Buildings & Technologies Data (sent by your SRM)
6. If remaining work is being funded from other sources, then a letter from the S151 Officer confirming that this funding has been allocated to the project
7. Photographic evidence of installed kit within the scope of the PSDS funded measures
  - i. Where several units have been installed, we will accept a sample.
  - ii. For those technologies that are not clear to photograph (e.g. loft or cavity wall insulation or pipework) we can accept in-progress photographs

**\*Invoices- These should either be dated on or before 30 June 2022 or, if dated after, clearly specify in the itemised breakdown on the invoice itself that the works were completed over a period within the grant end date.**

### **Required documents on practical completion**

1. Final Monthly Monitoring Report to stating that the project has completed on site
2. Completion & Confirmation of Final Value Letter (CCVL) [Link – See [here](#)]
3. Evidence to support the closure of all outstanding conditions from the Grant Offer Letter (GOL) and Grant Amendment Letter (GAL)
4. Final revised support tool to finalise the projects that have completed and their expected carbon savings on completion
5. Completion certificate(s) from the contractor(s).
6. Photographic evidence of remainder of installed kit.
  - b) Where several units have been installed, we will accept a sample.
  - c) For those technologies that are not clear to photograph (e.g. loft or cavity wall insulation or pipework) we can accept in-progress photographs

### **Final Project Closure**

Once the above steps have been completed and Salix Finance have carried out the necessary steps to review and confirm the completion of your project, you should receive the Salix Finance Post Completion Letter. This letter details the process for post completion monitoring of your project. For more information on this process, please contact your Salix Finance relationship manager.