

Salix RGF Closure & Repayment Guidance

Initiating Fund Closure

To begin the process of fund closure, the decision to terminate the fund must first be provided to Salix Finance in writing including an explanation behind the decision to close. Please inform your Relationship Manager of your intentions to close the fund as early as possible.

In March 2025, all funds must close. Salix Finance, and the Office for Students (OfS) will work with you to agree on your repayment method and ensure the closure is straightforward and appropriate for all parties.

The Fund Closure Process

Once the fund closure process has been initiated, the first step is for the institution to confirm any current committed project's expected completion dates, and abandon projects no longer going ahead. This will determine the current cash in the account to be returned to Salix. Depending on the agreed repayment approach, the current cash in account will form the first repayment. The repayment approach shall be agreed between Salix and the public sector body. For further details on repayment options, see 'Repayment Options'.

Once the repayment approach has been agreed, OfS will reach out to the Fund Manager and their finance team to confirm. Repayments are made by deducting the balance from monthly grant payments made by OfS; clients must confirm they agree with this approach. Client confirmation must be completed by the 15th of the month prior to the agreed payment month. The collection of funds operates on a quarterly schedule, for example:

Confirmation received by the 15th December – repayment made in January.

Confirmation received by the 15th March – repayment made in April.

Confirmation received by the 15th June – repayment made in July.

Confirmation received by the 15th August – repayment made in September.

Please contact Salix if you require an ad hoc repayment outside of this schedule.

A lump sum repayment is the fastest and simplest method of repayment. However, we understand this may not be possible for everyone. The Salix team will work with you to agree a suitable repayment profile, please contact your Relationship Manager to confirm your minimum & maximum repayment period. Once a repayment profile has been agreed with OfS, a Fund Closure letter and a revised Annexure 3 will be issued to you.

Fund Closure Process Steps

- Step 1 – Confirm the fund's closure in writing to Salix.
- Step 2 – Agree on the repayment method with Salix.
- Step 3 – Salix to confirm repayment method with OfS.
- Step 4 – OfS to confirm with the client.
- Step 5 – Fund Closure Letter and revised Annexure 3 issued.
- Step 6 – Funds deducted from chosen month of grant payments.

Repayment Options

There are two methods of repaying the conditional grant:

Lump sum

Directly pay back the total value of the funding provided by Salix/OfS in one sum in the same financial year. This value will be deducted from upcoming grant payments provided by OfS.

Protracted Repayments

Repayments can be made over several financial years (up to 3) and can be split within the year (e.g. on a quarterly basis). The repayment profile will be agreed between yourselves, Salix and OfS. The current cash in the account must first be returned to Salix forming the first instalment. Once the profile has been agreed, OfS will utilise the same method to reclaim the funds (deductions from upcoming grant payments). If the conditional grant value is greater than the current cash in account then a repayment profile will be agreed to pay back the remaining balance.

Please speak to your Relationship Manager to establish the full value owed by your institution.

End of Year statement

You will still be required to sign and return an End of Year statement for the year you closed the fund.

Relevant Documents

The below documents can be found on the England Recycling Fund page on the Salix Finance Website:

An example Annexure 3 demonstrating repayment by lump sum.

An example Annexure 3 demonstrating a protracted payment arrangement.