

Conditions: Guidance

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Introduction

As outlined in Schedule 2 of your Public Sector Decarbonisation Scheme Grant Offer Letter, there are a number of specific conditions relating to your project which must be resolved once the associated milestones are reached.

The purpose of this document is to provide guidance on what is required to resolve some of the common conditions, with examples of what is acceptable and templates for satisfying specific conditions. Please note the examples provided are for generic conditions that will apply to the majority of projects, your project may have bespoke conditions to resolve that are not covered here.

The importance of conditions

Public Sector Decarbonisation Scheme grant conditions help Salix and grant recipients, as stewards of public money, to ensure that projects are being well managed and remain compliant in line with the scheme criteria. This is critical in verifying that your project remains eligible for the full grant award in line with the scheme compliancy criteria.

Submitting conditions information at the associated milestone enables your Salix relationship manager to understand your project and check eligibility as it progresses. We advise submitting this information as early as possible and by no later than the original expected discharge date. The evidence for resolving many of these conditions should already be provided to you by your contractors as part of efficient project delivery.

Failure to provide the information required to resolve conditions within a reasonable timeframe after the associated milestones are reached may result in grant payments being withheld or funding reclaimed at the end of the project.

Where can I find conditions?

The specific conditions relating to your project can be found in Schedule 2 of your Grant Offer Letter. Should you submit a change request, additional conditions may be listed in your Grant Amendment Letter following assessment and approval of the revised project scope.

To make it easier to track your grant conditions, these will be listed in Step 3 of your monthly monitoring report. Please review these each month and provide updates on progress in gathering the information required and providing this to us at Salix.

When and how can I resolve conditions?

1. Use your monthly monitoring report to check conditions

You can find all your conditions listed on Step 3 of your monthly monitoring report. You will also be able to see the date that you are expected to submit information to us to resolve each condition. Please review this tab every month and update as needed.

2. Submit information to your Salix relationship manager

To enable conditions to be resolved, please send the required information to your relationship manager via email as soon as possible after the associated milestone is reached. Your relationship manager will let you know once the condition has been reviewed and can be considered resolved. If you have any questions about what is required to satisfy a condition, please speak to your relationship manager. You may be contacted by a member of the energy and carbon technical team or one of our technical advisors for clarification or further documentation.

3. Discuss moving the dates of submission and removing irrelevant conditions

If your project programme changes and you think the 'original expected discharge date' is unachievable, please raise this with your relationship manager. The 'date expected to be provided to Salix' column on Step 3 of your monitoring report lets you suggest an alternative date. Please make sure you discuss the reasons for the new date with your relationship manager prior to changing this on your report and include these reasons or any other updates in the 'comments' column.

If there are any changes to the project scope, you should inform us of these at the earliest opportunity and follow the change request process (please see the *Change requests* page of our website for guidance). If you believe a condition is no longer relevant, please flag this with your relationship manager.

4. Expected dates for resolving conditions

For Phase 3c Public Sector Decarbonisation Scheme projects, conditions are expected to be resolved at the milestones and dates listed below:

Milestone associated	Expected discharge date – single year projects	Expected discharge date – multi-year projects
Project approval	03 June 2024	03 June 2024
Detailed designs complete	01 October 2024	01 April 2025
Orders placed	02 December 2024	02 June 2025
Final commissioning	03 February 2025	02 February 2026

Please note, the deadlines have been set as standard dates based on when we see the majority of projects reach these milestones, but if your project passes a milestone at an earlier date, please provide the information as soon as possible within 30 days.

Common conditions

Please note the below examples are for generic conditions that will apply to the majority of Public Sector Decarbonisation Scheme projects, your project may have bespoke conditions to resolve that are not covered here.

1. Project programme

Your project programme should be provided to us twice, at the 'project approval' and 'orders placed' milestones.

The first will be an outline programme once the project has been approved internally by your public sector body. Though the project will be in the early stages of development this should include timelines for:

- Tender
- Design
- Lead in times for equipment
- Approvals (if applicable)
- Planning (if applicable)
- Project delivery (detailed breakdown of onsite works)
- Commissioning (this should state the 'switch on' date from which carbon savings will start to be realised)
- Contingency

Then, once you reach the post tender stage and have agreed a programme of works with your chosen contractors this should be updated in collaboration with them. They can either update your existing programme or provide their own.

2. Risk register

You are required to provide a detailed risk register once the project has been approved internally. This should identify potential risks to the project, which may range from delays to planning permission, unforeseen Distribution Network Operator (DNO) upgrade works required, noise pollution, delays in tender award or equipment lead times etc. The risk register should also include mitigation strategies, risk likelihood and level of risk.

Once you reach the post tender stage and have agreed a programme of works with your chosen contractors the risk register should be updated with their input, or an alternative version provided. A template can be found on our website. Step 2 of your monitoring report includes a section for providing regular updates on the key risks or issues affecting your project. This is limited to nine key risks. If there are any significant changes as your project progresses, we would also request that you provide an updated version of your detailed risk register.

3. Distribution Network Operator engagement

Most projects will include a condition relating to contact with the relevant Distribution Network Operator to confirm the grid has sufficient capacity to meet the increased electricity demand at your site to support the low carbon heating system being installed.

To resolve this condition, we require either written confirmation from your Distribution Network Operator that no upgrades are required, or if upgrades are required, a quote confirming what is required and the associated costs.

4. Experience and governance

The purpose of this condition is to clarify who has worked on your project and the chain of decision making and accountability. If your project is audited, Salix or the Department for Energy Security and Net Zero will need to know who is best placed to contact with any queries.

Internal – This condition is asking the public sector body to provide a written explanation of how the project will be effectively managed internally. This information cannot be provided by a third party (such as a contractor or consultant) as the purpose of this condition is to ensure your public sector body has adequate governance in place to effectively manage the project and are ultimately accountable for its delivery. This can be an organisation chart that shows the chain of decision making and reporting necessary for the project. You may also be asked to provide evidence to demonstrate which executive panel and/or board committee has oversight of the project through Terms of Reference or meeting minutes.

External – Please provide contractor details for each measure along with examples of their experience with similar projects of this type and scope and how your public sector body will be holding third party consultants and contractors to account. Please also detail whether your organisation has an existing relationship with the contractor. This can be provided to your relationship manager in an email format.

5. Project approval

This will be bespoke to your public sector body's specific approval process.

Minutes of a board meeting where the approvals were granted can be provided as evidence or written confirmation from the board or an appropriate contact (such as the project Authorising Official or a Director) can be provided by email.

Evidence of planning permission, or confirmation that this is not required, is another common approval condition. Again, acceptable evidence may be an email from the relevant planning authority.

6. Firm pricing

Once you reach the post tender stage we will require evidence that the cost of each measure listed on your approved application form (column N on the Step 4 Support Tool sheet) are an accurate reflection of the project costs.

Alongside the above proof of costs you should provide a summary spreadsheet to show how the final costs listed on your application form support tool have been calculated – if for example project management fees have been split equally between all measures then this should be shown.

Quotations for all of the technologies must be provided from the appointed contractors to confirm final pricing for each technology. We require evidence of prices for all aspects of the project, ideally broken down by measure as well as by costs for equipment, installation, design etc.

The following can be used as evidence of costs (this list is not exhaustive):

- Quotes (in date)
- Invoices
- Contracts – these should state the price
- Framework – the contract schedule should detail construction and payment milestones with costs per measure
- PFI, variation summary or service cost

7. Updated application form and energy saving calculations

Once the project is completed on site and you are able to provide the finalised figures for all data including costs and energy values, we will require

a final revised application form confirming the scope of the project. This is essential for us to verify your total eligible grant value before final payment is made.

Prior to this, any changes to the energy savings calculations should be communicated to us as soon as these are identified. These figures are often updated following completion of detailed designs, since changes to the energy savings figures may result in a lower eligible grant value, requiring a higher contribution from your public sector body to complete the project to the agreed scope. Higher costs following design changes or tender returns may also impact your decision to proceed with the project if additional capital is required.

Updated energy saving calculations should be provided in an unlocked Excel spreadsheet and must include all measures from the project scope including low carbon heating and energy efficiency measures. The values in the energy saving calculations should match your most recent application form, with a revised version provided if necessary.

If there are any changes to the scope of your project at any stage during project design or delivery, a formal change request may be required. Please see below an overview of types of change which will require a formal change request and assessment by our energy and carbon technical team.

We only expect to receive scope change requests when there is reasonable confidence in the final design, namely when designs and tenders are complete. For this reason, we expect each grant recipient to submit a maximum of one change request of good quality to minimise queries. Minor changes such as removing energy efficiency measures will typically not require assessment by our technical team.

As your project progresses, we encourage you to update your application form (in particular 'Step 3.3 Heating System' and 'Step 4 Support Tool'), to ensure that any minor changes do not have an impact on your eligible grant value. If you have any concerns about a change to your eligible grant value following a minor scope change, we ask that you contact your relationship manager as soon as possible.

Type of change	Change request?
Adding or removing a site	Yes
Changing the low carbon heating system technology	Yes
Changing the size of the low carbon heating system	Yes
Adding new fabric improvements or energy efficiency measures	Yes
Removing energy efficiency measures*	No
Increasing or reducing the scope of existing energy efficiency measures	No

8. Data sheets

We expect to see data sheets for all technologies that are to be installed once the final make and model is selected. This is required for the low carbon heating and energy efficiency measures.

The energy savings data you entered on the approved application form was calculated based on assumed performance. We need to verify that the assumptions were reasonable and that the energy savings on the approved application form will be achieved in practice by the exact equipment you choose to install. Data sheets should display key values that match both the energy saving calculations and the application form.

Heat pumps

To determine future electricity consumption we need to see:

- Make and model
- Flow Temperatures
- Capacity (kW)
- SCOP (Seasonal Coefficient of Performance)

DAIKIN
EWYT085B-SLA1+OP204
Performances calculated according to EN14511-3:2013

Technical Data Sheet



Cooling mode performances		Heating mode performances	
Cooling capacity	75.11 kW	Heating capacity	62.93 kW
Power input	28.01 kW	Power input	33.55 kW
EER Cooling Efficiency	2.681 kW / kW	Heating efficiency	1.876 kW / kW
SEER / η _s	3.90 / 153.0%	SCOP / η _s	3.340 / 130.6%
Chilled water IN/OUT	12.00 °C / 7.00 °C	Heated water IN/OUT	48.00 °C / 54.00 °C
Chilled water flow	3.580 l/s	Heated water flow	2.510 l/s
Water heat exchanger pressure drops	14.0 kPa	Water heat exchanger pressure drops	7.78 kPa
Ambient temperature	35.0 °C	Ambient temperature	-4.0 °C
l _w / l _p @ 5m	83 dB(A) / 65 dB(A)		
Fluid	Water		
Water fouling factor	0.000 m ² /°C/W		

SEER declared according to EN14825, fan coil application 12/7°C (inlet/outlet) water temperatures. Sound power level according to ISO 9614-1. SEER and PSCP refer to standard unit without options.

SCOP declared according to EN14825, average climate, low temperature application Heating performances calculated with default effect.

Unit information		Electrical information	
Compressor type	Scroll	Power supply	400 V / 50.0 Hz / 3 Ph
Capacity control	STEP	Running current	54.43 A
Compressor N°	2	Max. running current	68 A
Circuit N°	1	Max. current wires sizing	74.8 A
Refrigerant charge	11 kg	Refrigerant type	R32
		Air heat exchanger type	HFP
		Air heat exchanger fans N°	4
		Air heat exchanger fans control	Phase cut
		Altitude	000 MSL
		Water heat exchanger type	Plated Heat Exchanger

Actual refrigerant charge depends on the final unit construction, refer to unit nameplate.

Max. inrush current: 211 A
Compressor starting method: Direct on line

Voltage tolerance ± 10%. Phase Voltage unbalance ± 3%. Electrical data referred to standard unit without options, refer to unit name plate data.

Insulation

To determine the energy savings we need to see evidence of the thermal performance of the insulating equipment:

- Type
 - U-values (W/m²K)
- or

- R-values are a reciprocal of U-values (m²K/W)

Product dimensions and information						
Thickness (mm)	Length (m)	Width (mm)	Pack Area (m ²)	R-Value (m ² K/W)	Packs per pallet	Code
100	10.10	1200/2x600/3x400	12.12	2.25	24	5774
150	6.65	1160/2x580/3x386	7.71	3.40	24	5773
170	5.80	1160/2x580/3x386	6.73	3.85	24	5772
200	4.85	1160/2x580/3x386	5.63	4.50	24	5771

Thermal Performance

Multi-Roll 44 has a declared thermal conductivity of 0.044W/mK.

Solar PV

Alongside the data sheet for the exact model of panel installed we would also expect a report showing the site-specific consumption. Within this report it should show:

Simulation Results

Results Total System

- Yield
- Export percentage

PV System

PV Generator Output	111 kWp
Spec. Annual Yield	859.38 kWh/kWp
Performance Ratio (PR)	88.8 %
PV Generator Energy (AC grid)	
Own Consumption	87,986 kWh/Year
Down-regulation at Feed-in Point	0 kWh/Year
Grid Feed-in	7,450 kWh/Year
Own Power Consumption	92.2 %
CO ₂ Emissions avoided	44,842 kg / year

PV Generator Energy (AC grid)



Legend:
■ Own Consumption
■ Down-regulation at Feed-in Point
■ Grid Feed-in

Photovoltaic system – Fact Sheet	
Address	123 Example Lane
DNO	Northern PowerGrid Distribution
Commissioning Date	16/02/2023
Installed capacity (DC)	114.8 kWp

Declared Net Capacity (AC)	100 kWp
Solar Modules	
Number of modules	287
Module brand and type	Trina 400W TSM 400DE09.08
Inverter	
Number of inverters	1
Inverter Brand and Type	1 x Huawei SUN2000 100 KTL
DC Isolators	Integrated into inverters
AC Isolators	Integrated into inverters and fitted adjacent
Predicted Output	
Annual Yield	772.57 kWh/kWp or 88,721 kWh Annually
Systems Communications	
Teltonika router RUT-950 to provide data connection for monitoring inverter and remote meter readings.	

LED lighting

We require evidence of the names, wattages and quantity of old and new fittings. The operating hours may be demonstrated through the energy savings calculations.

9. Monitoring and verification plan

You are required to complete an annual carbon monitoring form for three years after the completion of your project. Prior to this, a monitoring and verification (M&V) plan is required to confirm the appropriate monitoring of energy savings resulting from the project and who will be responsible for this.

This can be sent as a report or an email. It should include:

- Knowledge of M&V and its importance in measuring the success of energy conservation measures.
- Who is responsible for the monitoring.
- Detail on the methodology of how each measure will be monitored.
- Frequency of monitoring.
- Duration of monitoring (minimum three years).
- Strengths and weaknesses of the approach.
- Mitigation measures if the estimated savings are not being achieved.
- A reporting plan to identify how and when findings will be communicated to us.