

Willmott Dixon continues supporting Public Sector Decarbonisation Scheme

3 years ago



Up to £635million of government funding has been announced. It is available to public sector organisations so they can install low carbon heating, such as heat pumps, and energy efficiency measures including double glazing and loft insulation. The funding is open to organisations such as NHS trusts, emergency services, universities, colleges, schools and local authorities.

The Phase 3b Application Portal is expected to open in September, and will close as soon as the scheme is fully subscribed.

[Willmott Dixon](#) has supported customers to successfully deliver projects funded through previous rounds of PSDS funding, and we can help you to develop your proposals, prepare your applications and deliver your projects within the funding timescales.

The PSDS scheme is designed to help upgrade heating systems in public buildings, to ones often powered by cleaner, cheaper and renewable energy. PSDS funding enables low carbon heating systems, including heat pumps and electric heating to be installed in public buildings, with many projects also installing energy efficiency measures such as wall and roof insulation, double glazing and LED lighting, and renewables such as solar panels.

Phase 3b will allocate up to £635m of funding to public sector organisations, to be spent in financial years 2023/24 and 2024/25. This is split by financial year, with up to £402m to be allocated for 2023/24 and up to £233m to be allocated for 2024/25. This funded must be complimented by alternative funding committed to cover the cost of 'like for like' heating systems.

Phase 3b guidance notes, application form, eligibility criteria, FAQs, key dates, and terms and conditions

have been published on the [Salix website](#). Salix has also released a series of videos about the scheme alongside a series of client testimonial videos, including the Leisure Centre Decarbonisation Scheme in Oxford that was delivered by Willmott Dixon.

There are some refinements to Phase 3b PSDS that reflect stakeholder feedback regarding the proportion of funding made available for financing projects that deliver over more than one financial year. Other changes sharpen the scheme's focus on cost effective decarbonisation of heat and the overall achievement of carbon emission savings.

Application types:

Single year applications are required to complete their projects by 31 March, 2024.

Multi-year applications are for projects which will take more than one financial year to deliver and are required to complete by 31 March 2025. The intention is also to allow Applicants to apply for funding at the Phase 3b application window for projects with spend in 2024/25 only, using 2023/24 as a planning year.

On application, organisations must state whether they intend to apply for a single year project or a multi-year project.

Applicants may submit separate applications for separate projects or combine several projects in a single application for a single year fund allocation or a multi-year fund allocation.

The funding is provided by the Department for Business, Energy and Industrial Strategy and delivered by Salix Finance. The PSDS supports the Government's net-zero and clean growth goals.

How can Willmott Dixon support you?

Willmott Dixon will assign a dedicated consultant to work with you to develop your application. We will base our advice on current and recent experience of delivering projects on the ground, ensuring project viability, and can support you through project development, application submission, delivery and post-completion monitoring.

For further information, or to discuss your requirement, please contact jo.mills@willmottdixon.co.uk