



Energising Communities

Feasibility Study for a Small Grant Fund for Community Groups

Report to Education and Community Group of
Energy Efficiency Partnership for Homes

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1 EXECUTIVE SUMMARY

This report looks at the need for and feasibility of establishing a fund to provide small (up to £5,000) grants to community groups to carry out non-capital energy efficiency projects.

We recommend the findings of this report are **disseminated** and **consulted** upon and that a **pilot** scheme is set up to test a number of assumptions and to gauge if community groups are ready to apply for such funds. The pilot needs to include some evaluation via simple case studies to embed and share learning. The key point to test is what mechanisms are needed to encourage and enable community groups to apply for funds to carry out such projects.

Our findings are that many funds theoretically support such projects already but several factors act as **barriers** to access, including:

- Energy efficiency, i.e. reducing waste of excess energy use, is confused with renewables/alternative energy sources;
- Both community groups and funding facilitators are often confused about what energy projects are possible and think it's too difficult to even start;
- Relatively few groups are concerned with taking action to reduce energy use, despite major moves to waste reduction over last few decades. This attitude may change with rising energy prices.

We have identified the **key** elements that will be needed for a successful fund:

- Effective marketing of such a fund to reach and connect beyond the usual energy world. This can build on and expand the pioneering report produced recently by Futerra consultancy for the Defra climate change communication working group;
- Accessible and relevant/guidance for groups on how to carry out energy efficiency projects, including examples of successful projects carried out by community groups elsewhere;
- Training/awareness raising of mainstream regeneration facilitators about energy efficiency projects and how to develop them;
- Simple application and monitoring systems that are trusted by community groups;
- Signposting to a credible ladder of further funding support if groups want to develop and implement larger capital schemes.

Likely sources of **funding**

Although a number of statutory and charitable organisations have the potential to fund such a new grants scheme, we recommend approaching the Energy Saving Trust in the first instance. We have mapped out a range of alternative funders who could be approached as supplementary or alternative sources.

Management of a fund

Building on the existing infrastructure represented by the Community Action for Energy network seems the most logical first step, especially for the management of a pilot scheme.

Thinking **beyond** one fund

Energy efficiency is growing in importance as energy prices rise. Compared with most of the rest of the EU we have low levels of energy efficiency, and this represents a growing source of waste. Government policy is currently aiming to support increasing involvement of the community and voluntary sector in supplying goods and services to public and local bodies. A new small grants scheme for community energy projects represents an exciting next step to bring those two strands together.

1.1 Key recommendations/action points

1. Set up a consultation process and establish a pilot project. Ensure consultation includes key contacts in the devolved nations.
2. Design the fund to be clear, simple and accessible to community groups, testing it on a representative group of community group members before applying it.
3. Provide a package of support for both groups and general regeneration facilitators to understand what energy efficiency projects look like. Provide demonstration examples of existing projects carried out.
4. Market the fund to community groups and facilitators in a way that they will understand through channels they access. Emphasise the energy hierarchy: be **mean** (don't use energy at all/conservation); be **lean** (use less energy); be **green** (use renewable energy); be **clean** (supply efficiently) to show that energy efficiency is the first priority.
5. Seek initial funding from the Energy Saving Trust but consider a planned approach for alternative or supplementary funding or other support from a range of private and charitable sector bodies we have identified.
6. Alternatively, if limited to England, approach Defra to request that a pilot energy grants scheme is deployed via a restructured Climate Challenge Fund.
7. Use existing resources, i.e. CAfE to manage the pilot.
8. Use the findings of the consultation and evaluate the pilot to ascertain what gaps need filling, where alternative approaches are needed, to provide the basis for a prospectus for a national fund. Link with the major trends of both developing local area agreements and the new public procurement from voluntary and community sector initiatives.
9. Consider enhancing the existing CAfE service to help overcome the barriers identified in this research.

2 REASON FOR THIS REPORT AT THIS TIME

This research was commissioned by the Education and Community Group of the Energy Efficiency Partnership for Homes to look at the potential for a small grant fund for community groups. It has been completed by Community Energy Plus in partnership with Richard Hoggett and Future Perspectives Co-operative.

The work was commissioned on the basis that “Community groups find it difficult to access capital funding streams like EST’s Innovation Programme but can utilise small grants as a stepping-stone to further activity. Existing small grant funds targeted at this sector have either disappeared or are focussed more on tackling deprivation. Community groups are more likely to take action if they have access to small sums of money for community events/promotional activity. Users of the CAfE programme have fed back that the one day of expert support they receive is not enough, and have identified a need for grants to assist with non-capital activity”.

The scope of the work is based on the following brief:

- Examine what funding and support already exists for small, grass-roots community groups wanting to set up or get involved with energy efficiency/environmental projects (Appendix 3);
- Identify barriers and potential benefits of the establishment of a new small grant fund for community groups (Section 3);
- Examine why other small community funds have closed (Appendix 4);
- Highlight any differences that may exist between England, Wales, Scotland and Northern Ireland (Appendix 5);
- Provide guidance on how a small community fund could be implemented, who could fund it and who could manage it (Appendix 6 to 9);
- Highlight the alternative support that could be provided to groups in addition to/instead of a small community fund, to help them access larger sums of money (Section 5);

To complete the research, we have considered each of the work areas in-depth using our own experience and that of other practitioners in the sustainable energy, community development and regeneration fields. We have also held discussions with funders to both identify best practice, and guide our thinking in terms of how a new fund could be implemented.

To keep the main body of the report concise many of the more detailed results and findings are included as appendices.

2.1 Why is action by the community sector important?

The Partnership and EST have previously undertaken independent research to assess the benefits of community based energy projects and to assess the effectiveness of the CAfE programme in supporting this sector to engage with sustainable energy.

In their report “The Benefits of Community Based Energy Projects”¹ (2004) CAG Consultants highlighted a number of benefits of adopting a community approach that are relevant to this report. The key strengths of a community based approach they identified were:

- The ability to integrate energy work into wider housing improvement and neighbourhood renewal;
- Community Based Sustainable Energy Projects can be a mechanism through which local contacts and a sense of community can be strengthened;
- Community based work is particularly effective at addressing the needs of marginalised groups;
- Partnership working, if properly managed, helps add value to the project as a whole and to individual partners;
- Involving the community can increase the likelihood that energy efficiency and renewable energy policies are accepted and understood;
- Building local awareness of energy and fuel poverty issues through direct engagement with people can help promote long-term behavioural change and also ensure people continue to access support when required.

CAG looked a number of existing community based projects within their report and found a number of ways in which community level work can promote effective project delivery. The combination of these findings and the benefits identified above lead them to conclude that “these amount to a significant set of advantages that a community based approach offers over alternatives”.

They also highlighted that new targets on suppliers under the Energy Efficiency Commitment (EEC2) and the need for local authorities to make further progress towards their Home Energy Conservation Act targets, would mean the community sector would become an increasingly important audience to work with. This is particularly the case because suppliers and local authorities have already fitted energy efficiency measures in the easily accessible housing stock.

EST’s have already recognised the need to support and help the community sector engage with energy issues. The CAfE programme was established in 2002 as a route to help promote and facilitate local community-based energy projects. Since it started there have been a number of evaluations of the services this programme offers. The first was carried out in 2003 by New Perspectives (Summary Evaluation Report on the First Year of the CAfE Programme). This suggested that around 28% of people joined the network specifically to develop or seek funding for a project. This interest in funding was reinforced by the latest evaluation carried out by TNS

¹ The summary report is available on the Energy Efficiency Partnership for Homes website at: http://www.est.org.uk/partnership/energy/index.cfm?mode=view&news_id=152

Social in 2004 (CAfE Evaluation Summary Report), which indicated again that members of CAfE are interested in developing energy projects and many of them join specifically to get information about funding sources to help with this.

The above research highlights that not only is community involvement important for the development of sustainable energy projects, but that those that are already beginning to engage with CAfE are doing so partly to try and find money to enable them to develop such projects. As already suggested in the brief for the research CAfE members have identified an issue with securing small non capital grants. All of these points, coupled with rapidly rising energy prices in a context of potentially harsher winters and relatively insecurity of energy supply for the UK provide longer term incentives for more people to move energy efficiency to a higher priority. As such, there appears to be considerable potential for developing a new small grant fund to enable community groups to engage with and develop energy efficiency projects.

3 SUMMARY OF OUR FINDINGS

3.1 Barriers to community groups applying for or accessing grants for energy efficiency projects

From speaking with community groups, funding facilitators, energy supporters from all over the UK, and from our own connections we identified a number of barriers experienced by community groups or regeneration workers that are preventing the groups from accessing the current funds available for energy efficiency projects. The table below is split between problems about accessing funding and broader issues that affect groups; there is some cross over between these headings. We offer some simple suggestions for overcoming some of those barriers and develop the theme further in Section 3.2.

| Accessing Funding* | | |
|---|--|---|
| Barrier | Issues | Potential solution |
| Lack of information about potential funding | <ul style="list-style-type: none"> Even funds that would support energy efficiency rarely mention it in their criteria (within groups and amongst fund facilitators) | <ul style="list-style-type: none"> Challenge major funders - ask them what priority they are giving to energy efficiency |
| Lack of effective marketing of targeted funds | <ul style="list-style-type: none"> Awareness levels low Unappealing messages (crisis, invest now for future benefit) tend to be interpreted by community groups that nothing can be done or is worth doing | <ul style="list-style-type: none"> Use current perceptions of rising energy costs as trigger for community group demand for funds |
| Some application & reporting requirements are seen as too complicated | <ul style="list-style-type: none"> Too off-putting to try for intangible benefit Development work like bid writing is difficult to fund - simplicity will help save staff time Form design often ignores accessibility standards for those with different learning and visual needs | <ul style="list-style-type: none"> We make detailed suggestions on how to overcome these barriers in Appendix 9 |
| Timing requirements of funds | <ul style="list-style-type: none"> Project development takes time (often over a year) Year end or other timing constraints reduce possibilities | <ul style="list-style-type: none"> Advocate fund design with projects covering more than 12 months |
| Matched funding requirements off-putting | <ul style="list-style-type: none"> Groups don't know where to get the match, how to create non-financial match, are concerned that one element of match will run out of time | <ul style="list-style-type: none"> Apply co-financing model where possible, where the match is provided by e.g. public bodies in advance |
| Lack of flexibility in funds | <ul style="list-style-type: none"> Inability of funds to be adaptable to changed circumstances | <ul style="list-style-type: none"> Examine the potential for more flexible models |
| Broader Issues | | |
| Barrier | Issues | Potential solution |
| Confusion | <ul style="list-style-type: none"> Lack of clarity about what can be done to promote or implement energy efficiency Lack of clarity about what might be fundable (both within groups and amongst fund facilitators) | <ul style="list-style-type: none"> Publicity documents to be checked by target audiences |
| Lack of knowledge | <ul style="list-style-type: none"> Insufficient information or understanding about energy efficiency potential (both within groups and amongst fund facilitators such as | <ul style="list-style-type: none"> Develop key list of 10 energy efficiency actions that community groups could do; distribute to |

| | | |
|---|---|--|
| | community & economic development officers) | Development Trusts Association, community group umbrellas etc |
| Lack of skills | <ul style="list-style-type: none"> Inability to access energy efficiency potential (both within groups and amongst fund facilitators) | Develop accessible list of key metrics to illustrate energy saving in ways people can relate to (e.g. financial fuel cost savings) |
| Lack of best practice examples | <ul style="list-style-type: none"> Need for examples of 'people like us' actually doing energy efficiency projects | <ul style="list-style-type: none"> Offer existing CAfE best practice examples to mainstream information, e.g. centres of regeneration excellence websites |
| Lack of motivation | <ul style="list-style-type: none"> Energy efficiency not main focus of attention, not 'sexy' topic Nobody wants to insulate their neighbour's house | <ul style="list-style-type: none"> Publicity to emphasise both individual and public good |
| Some funds' emphasis on achieving only one technical measure of success off-putting | <ul style="list-style-type: none"> Perceived emphasis on carbon saving alone seen to restrict scope of possible projects - it's 'playing one club golf' | <ul style="list-style-type: none"> Express in terms of an accessible proxy, such as average energy costs saved, that groups can understand and relate to |
| Too complicated | <ul style="list-style-type: none"> Processes seen as difficult (both within groups and amongst fund facilitators). This was a repeated theme in our interviews. | <ul style="list-style-type: none"> Develop simpler systems/provide support and mentoring |
| Too much focus on technical innovation | <ul style="list-style-type: none"> Funders seen as always insisting on technical innovation Area-appropriate replication will achieve more energy savings than innovation | <ul style="list-style-type: none"> Reward or fund extension, not just innovation |
| Insufficient focus on process innovation | <ul style="list-style-type: none"> New ways of working adapted to local needs insufficiently valued | <ul style="list-style-type: none"> Adaptation of ideas to regional conditions needs supporting as innovation |
| Mindset of groups | <ul style="list-style-type: none"> Groups often come to funders when they are in crisis - complexity factors too challenging | <ul style="list-style-type: none"> Focus PR & marketing energy efficiency as a priority, and simple to achieve. Link up with national sustainable development publicity schemes such as 'Compass Network'² |
| Time horizons of benefits | <ul style="list-style-type: none"> People in deprived communities live from day to day; don't have 'luxury' of investing now for future benefit | <ul style="list-style-type: none"> Use current perceptions of rising energy costs as trigger |
| Assumptions it's already happening | <ul style="list-style-type: none"> Community groups assume 'experts' such as planners, architects are already embedding higher levels of energy efficiency than is actually the case | <ul style="list-style-type: none"> Focus PR & marketing energy efficiency as a priority, and simple to achieve |
| Disillusionment if funds close early | <ul style="list-style-type: none"> Can create major cynicism Community groups may lose opportunities if preparing bids for published deadlines that are changed without their knowledge | <ul style="list-style-type: none"> Funds should either honour published deadlines (even if they are oversubscribed with applications), or widely publicise any |

² The Compass Network is a global exchange for knowledge and creativity set up to help improve the quality of sustainable development communications worldwide. For more information see: <http://www.compassnetwork.org>

| | | |
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| | | <p>changes;</p> <ul style="list-style-type: none"> • Requiring enquirers to obtain an application form or application No. (rather than downloading one from a website) will enable the funder to obtain contact information for potential applicants; |
| Loss of community groups/champions' credibility if funds close early | <ul style="list-style-type: none"> • Often a personal risk for champions to step forward - risk of ridicule/loss of credibility if funds suddenly withdrawn • Inhibits them and others stepping forward in future. This problem is being highlighted in several studies of community involvement | As above |

* It seems likely that many of the issues of fund accessibility apply to several of the larger funds we have considered within this report and we do not believe these issues are a matter of perception from community groups.

3.2 Critical factors for a new fund to work

To overcome the barriers our respondents identified and from their suggestions we identified a list of critical issues that need to be incorporated into the design, marketing and management of such a fund to enable it to achieve its purpose. We used a framework of 8 standpoints to gain an overall picture.

| Perspective/Key Questions | Critical Factors |
|---|--|
| <p>Freedom and creativity How can such a fund inspire the creativity of groups, and what needs to be in place for them to feel free to attempt such projects?</p> | <ul style="list-style-type: none"> • Easy to apply • Range of levels of funds for different levels of activity say £2,000/£5,000/£10,000 from simple consultation and awareness raising to feasibility studies • Accessible support • Flexibility in criteria • Permission to try and to take risks • Celebration via awards for greenest groups, residents etc |
| <p>Present condition - where people are now What is the readiness of groups to apply for such funds? How relevant to group's current state of readiness is such a fund?</p> | <ul style="list-style-type: none"> • Growing awareness of climate change challenges needs to be turned into realisation that something can be done locally • More use of existing CAFE members & encouragement to others to join • Growing skills & knowledge within communities needs to be accessed & released • Acknowledge need for initial projects to be in community buildings, to give concrete example of what's possible • Acknowledge most community groups not yet ready to see potential of domestic energy efficiency projects • Need to build on growing self-sufficiency trend • Need to build on growing 'what's in it for me/enlightened self-interest' • Promotional messages that appeal to community groups • Appreciation that people in deprived communities cannot spare cash today for tomorrow's benefits |
| <p>Danger and trust What dangers might community groups applying for accessing such funds come across? How could they be dealt with? Would community groups be likely to trust such a fund to support them doing what they want? How could</p> | <ul style="list-style-type: none"> • Conscious awareness that community-led projects leading to private benefits will bring up issues of trust • Proper and appropriate legal governance systems • Engagement with regulatory requirements etc, esp. VAT issues and cash flow dangers • Capacity to support/signpost support groups in danger of not coping |

| | |
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| <p>that trust be created?</p> | <p>with running or managing a project</p> <ul style="list-style-type: none"> • Systems to provide long-term and simple future reporting without dependence on community groups' continued existence • Presence of, or signposting, to capital funds if fund provides for feasibility studies • Payment of proportion of cash at start of project • Trust in ability of groups to learn from all experiences |
| <p>Purpose & direction What is the purpose of such a fund? Can we put it in a continuum of overall community groups' experience with energy issues so far?</p> | <ul style="list-style-type: none"> • Increased fuel costs as driver • Connections with other sectors e.g. health • Quick wins needed to convince communities of point of it all • Intermediary to explain/demonstrate purpose to sceptical groups • Greater emphasis on energy efficiency within fund environmental criteria, connecting with climate change • Emphasise energy hierarchy: mean: lean; green; clean to show the priority position of energy efficiency |
| <p>Maintenance & balance What is needed for such a fund to support and sustain groups, rather than to be experienced as a burden?</p> | <ul style="list-style-type: none"> • Efficient & easy application & reporting processes • Simple, easy systems for fund managers & facilitators • Long term sustaining of funding • Timing to be fitted to community needs, not vice versa • Funders to make decisions & implement them when promised • Transparency of decision processes • Respect for applicants • Informed support available when groups need it • Support/development workers to coincide with life of fund • Roll-out of replication to be fundable |
| <p>Inter-relatedness & timing, learning from the past Is this the right time overall for suggesting a fund? How would such a fund connect with activities going on in a wider context? Is there a need to examine each group's state of readiness and recognise timing needs?</p> | <ul style="list-style-type: none"> • Links with existing networks • Sharing of innovative processes & ideas • Showing how energy efficiency is part of bigger picture • Showing how present projects can lead to future things • Clear signposting to other environmental measures • Take up of energy efficiency within renewable schemes where it was omitted • Design-in energy efficiency in all renewable schemes • Links beyond narrow definitions of community, to embrace businesses etc • Local area agreements need to increase threads hanging down for community groups to catch, not draw all threads in • Permission to take risks, achieve different results from expected, & learn/share learning from experience • Link with e.g. Academy for Sustainable Communities to spread word • Linking of energy efficiency with hot topics, i.e. 'asset based regeneration' • Persuade all RDAs to require extra energy efficiency in new build projects (good practice already in South West Regional Development Agency) |
| <p>Resources, assembly, clarity & action What key resources (as well as finance) do groups need to carry out such projects? How do they need to be assembled? What's needed to make clear what projects are possible?</p> | <ul style="list-style-type: none"> • Clarity, no jargon, accessibility • Appropriate level of handholding • Accessible toolkits for fund facilitators, community workers • Use & promotion of existing support: CAfE, EEACs • Local promotion, promotion, promotion • Show how simple it can be • Connection with local media such as parish/community newsletters • Use of all resources - CAfE projects database for examples • Promotional material to trusted communicators • Celebration of energy efficiency triumphs wherever possible • Pre-matching as in co-financing or key funds |

| | |
|---|---|
| <p>Enthusiasm & vitality What energy and enthusiasm do we detect for such a fund? What energy and enthusiasm do we have ourselves for such a fund? How can we invoke it?</p> | <ul style="list-style-type: none"> • Recognition that energy efficiency can be catalyst for other projects • Vital examples of best practice • Access to demand currently hidden • Evocative ways of inspiring households • Awareness raising • Appropriate & enthusiastic intermediary support • Engagement & interest of growing number of skilled people in communities • Listening/marketing attitude from funds • Celebration of process innovation |
|---|---|

3.3 Differences between England, Northern Ireland, Scotland & Wales

An examination of the differences between the countries that make up the UK was carried out, in terms of existing funding programmes and any issues that a new small grant fund would need to consider in order to work effectively. Desk research and telephone interviews with key contacts in each of the countries were used. Detailed results are shown in Appendix 5.

Existing funding

There are no major differences between the UK countries in terms of the opportunities that exist to secure energy funding, but we found some discrepancies in terms of the level of help and support available.

However, the energy funding market is currently changing, particularly for renewables. Clear Skies and the Solar PV Programme are about to close to be replaced by the Low Carbon Buildings Programme. It is not yet clear what level of support community groups will get through this programme.

Problems with existing funding programmes

Many indicated that they do not experience problems with the established energy funding programmes that operate across the UK. There was recognition that for people outside the energy world, such as community groups, problems do exist. These include difficult application processes, confusion in identifying the most beneficial fund, and the fact that community groups often fall between these funding opportunities.

One of the other important points raised was the problem of competitive bidding on a UK wide programme, leading to potential good applications not getting through because the money for an area had all been used. For a new small grant fund, clarity about any split in the funding available on a regional basis will be important to help overcome concerns with this. Where regions are unable to allocate all of their funding within a set time limit, there should be flexibility to transfer unspent money to other regions where demand is greater.

Advantages and disadvantages with current funds

The picture across the UK has some similarities in terms of a feeling that communities were generally interested in sustainable energy, that good networks existed to support them and that there wasn't enough money currently available to

support them properly. Many commented that rising fuel prices in recent years had been a catalyst to getting more interest from the community sector.

Northern Ireland

Contacts felt there was good infrastructure to support community groups in place. Specifically, an advantage here was the Action Renewable teams in the local energy agencies who can support and hand hold community groups to develop renewable energy projects. There also appears to be a strong political will, with regulation on the supplier to develop flexible approaches in terms of innovative funding streams for energy work in Northern Ireland.

In terms of disadvantages, the fact that some costs can be higher within Northern Ireland compared to the same work in other areas of the UK means set UK grants may not go as far. Also, the feeling that the size of the country is often not reflected in national schemes was mentioned.

Scotland

There was a feeling by many that Scotland currently has a number of better funding and support opportunities for community groups, compared to other countries, in particularly SCHRI was highlighted, but others also exist.

Wales

Whilst there are some sustainable development funds, and European Objective 1 & 2 funding available in some areas of Wales, there was a general feeling that funding opportunities are more restricted in this country. This is also the only country in the UK without any funded advice for renewables.

England

We feel that there are good support networks for the community sector in England. There is also a larger infrastructure of energy NGO's in England compared to other regions and many of these are working with community groups on a local, regional and national basis. We do not feel that England has any major disadvantages in terms of existing funding opportunities or support structures compared to the other areas of the UK.

The majority of interviewees felt that a new small grant would be beneficial for community groups in their country, particularly if it has simple application procedures and is not too onerous in terms of outcomes. There was also a feeling that local and regional support would be an important consideration in the development of a new programme.

Many indicated that they would like to be consulted about any new fund, before it is established, particularly in the case of the devolved administrations and this should be heeded if a new fund is developed.

4 HOW A SMALL GRANT FUND COULD BE DEVELOPED

4.1 Who could fund it?

We have considered a number of different routes to establish a new small grants fund for community groups.

4.1.1 Option 1: Energy Saving Trust

A logical route for establishing a new fund would be via the EST. As they have already made a commitment to engaging and supporting the community sector via the CAfE programme, they could be approached for additional funding to provide grants to the community sector. A small grant fund linked to CAfE would have a major impact on the development of the CAfE network and the programme itself. It could be a central tool in encouraging new community sector groups to engage with and join the network, whilst helping those who are already members to integrate the services this programme offers and ultimately encourage the delivery of community based energy projects.

Some issues of timing need consideration. EST's planning process involves designing future years' work programmes well in advance and the timing of this piece of research probably may not coincide with this. It is therefore likely that if EST is approached regarding the development of this new small grant fund that it could not be established any earlier than April 2007.

As far as we are aware, EST currently plans to carry on funding CAfE until March 2007. Although CAfE's long term future is not assured, it represents an existing resource that could be built on. This is likely to be more cost-effective than setting up a new organisation and discussions about linking a grant fund to CAfE could be very timely.

4.1.2 Option 2: A major energy supply company

The deregulation of the energy supply market in the UK has led to a number of company mergers and buy-outs. Most of the big players have remained in some form or another and many of the old regional company names still exist, even if they are now part of another, often international, company. There is considerable competition and continued attempts to woo customers from one supplier to another.

UK energy supply companies already invest in energy efficiency through the legal requirements of the Energy Efficiency Commitment (EEC). Most have set up schemes using their own staff and developed partnerships with energy NGO's, Energy Efficiency Advice Centres (EEACs) and installers. EEC is a major commitment on the suppliers and it seems likely that some have not gone much further than this in terms of funding energy projects.

Some suppliers have developed additional funding programmes linked to the supply of electricity from renewable energy sources to domestic and business customers e.g. Powergen 'Green Plan', EDF Energy 'Green Fund' and Scottish Power 'Green Energy Trust' (this list is not exhaustive). Although they vary, generally as part of

the sale of 'green tariff' electricity, a fund is established and supported by the company to help with the development of new renewable energy projects, often aimed at schools, community groups and other organisations. These have provided a new funding stream for capital renewable energy projects in some areas.

An approach that may be worth considering would be to speak to each supplier to see if they could fund a project like this through their corporate social responsibility (CSR) agendas. Many companies in the UK, including energy suppliers, have developed funding programmes through this route. This fund represents an opportunity for a utility company that supported it to gain positive publicity and to get logo/brand exposure outside of their home territory. We do not consider it likely that establishing a new national small grants fund solely via a major energy supply company is possible. However, we see a possibility of approaching them for potential match funding. Another source of support would be if the companies were willing to publicise the fund to their customers which include community groups.

4.1.3 Option 3: A major national company

Outside the energy supply sector, private business is a major potential source of funding for community energy projects.

There appear to be three potential benefits of considering a national company. Firstly, there is an increased emphasis on companies improving their impact on the environment, as well as ensuring that communities benefit from their business, through CSR initiatives. Secondly, many companies are keen to see their charitable investments provide a systematic and coherent impact, rather than a project-by-project, piecemeal approach. Finally, many companies would welcome contributing to an externally-managed fund, so that overheads and administrative costs are minimised.

However, there are some common restrictions that cannot be ignored in terms of approaching a company. Many companies do not have a national operational range. Even amongst those that do, there is a strong prioritisation to fund only those projects that are close to major plants and distribution centres.

Also within the private sector, there is a very strong emphasis on social disadvantage, and seeking to fund projects that deliver educational, health and entrepreneurial benefits. This does not entirely rule out community energy projects, but if a private sector source of funding was sought, the fund will need to find ways of emphasising social benefits.

Nearly all large companies have well-defined CSR strategies. In many cases, this effectively ensures that community energy projects are defined as being outside that company's charitable objectives.

Nonetheless, there remain strong possible contenders for potential contributions to the new fund from private business, even outside the energy generation and supply sectors. A survey of 30 of the largest UK companies was carried out, listed in full at the end of Appendix 7. We concentrated on the following four areas:

- The utility sector, because of its wide customer base, broad public profile, high energy use and link to climate change impacts;
- The financial sector, because of its tradition for charitable works;
- The electrical product sector, because of its obvious links to energy efficiency and reliance upon homes and public buildings to market its products;
- Very large companies, because of their enormous reach and net worth.

After investigating CSR details and charitable activities, the strongest contenders were examined in more detail. They included the following six companies. Full details of the research carried out are included in Appendix 7.

| Company | Assessment |
|----------------|--|
| Severn Trent | Though a national company, regional origins might be problematic. No tradition of themed or long-term donations. Recently published Carbon Management report, with support of Carbon Trust - possible interest in supporting carbon saving. |
| Abbey Group | Limited to small figures (£2,500) beyond the urban centres in which the group has a major presence. |
| Kingfisher/B&Q | Strong thematic overlap. Would require careful and subtle work to encourage funding of a national scheme. Corporate responsibility policies include working with suppliers & customers to encourage energy efficiency products & installation. |
| HSBC | Very strong thematic overlap. Would require careful and subtle work to encourage funding of a national scheme. Their 'knowledge' section provides environmental information and links to customers. They signpost the 'Environment & Energy helpline' of Envirowise, targeting businesses. |
| BAA | A strong community assistance approach and large emphasis on climate change. BAA has registered 3 of its airport heating installations with the EU emissions trading scheme. However, success would rely on convincing BAA to add community energy to its priorities. |
| Capita | Considerable donor with a focus on themed programmes, and scope for community environmental projects. However, would require careful approach to see whether the fund could qualify as a suitable chosen charity. |

4.1.4 Option 4: A major charitable trust

Large charitable trusts, particularly those with a dedicated focus on environmental issues in general (and energy issues specifically), represent an area of high potential for funding the proposal.

After searching charity databases, a list of nine trusts or foundations was drawn up and investigated further. Of these nine, four were dismissed, because their funding criteria did not allow for community energy projects for different reasons. Appendix 8 lists all the trusts considered and provides detailed information on the five that were investigated fully, these were:

| Trust | Assessment |
|--|--|
| Ashden Trust | <p>Clearly, the Ashden Trust's remit fits the proposed fund very closely. Recently it has funded a project giving voice to, and generally promoting, entrepreneurs in the micro-power generation sector, and another project researching the potential for a UK renewable energy supplement. CEP's 2005 Ashden Award is funding community outreach work and dissemination of best practice.</p> <p>A strong case could be made to the Trust administrators that a community energy fund would fit closely with its existing projects and initiatives, for example the Awards scheme. A new fund would allow more projects suitable for Awards to emerge.</p> |
| The Polden-Puckham Charitable Foundation | <p>An often ignored fund that in fact represents a real potential contributor to this proposal.</p> <p>The Foundation has funded projects up to £20,000, and has also funded over the medium term (three years).</p> <p>Should an application to the Foundation be made, it will be important to ensure that certain elements are emphasised, in particular:</p> <ul style="list-style-type: none"> • That the fund seeks to fill a current funding gap; • That the fund would seek to influence decision-makers and/or policy-makers; • That the fund would benefit many widespread communities, and may help reduce the number of unwanted applications from community groups that are being made directly to the Foundation. |
| The Funding Network | <p>Average grants through the Funding Network are around £5,000.</p> <p>Unlikely to provide the bulk of core money for the Fund, nonetheless, for minimal effort an application to the Network may provide large gains. However, such an application should emphasise that a 'contribution to' a project is not being solicited - none of these modern philanthropists are likely to want to simply add their cash to a hat as it is passed round.</p> |
| Eaga Partnership Charitable Trust | <p>Eaga-PCT and its predecessor, Eaga-CT, have awarded grants totalling over £400,000 to date.</p> <p>Any application to the Fund will have to address the focus on fuel poverty. It may be possible to fund those communities in deprived wards through Trust money, as part of a contribution to the overall Fund.</p> <p>The trust seeks to fund projects that span between one and three years.</p> |
| The Esmée Fairbairn Foundation | <p>The Foundation has recently funded projects that have a similar, widespread objective to the fund, for example £162K to the Carplus Trust, to fund the costs of a training and support framework to develop responsible car use schemes, over three years.</p> <p>A successful application to the foundation would have to emphasise the strategic, national-level issues that the fund would, in effect, address.</p> <p>The benefits to regions would have to be emphasised, as well as the fact that the fund is a new piece of thinking, seeking to break new ground.</p> |

4.1.5 Option 5: Possibility of collaboration with Big Lottery Fund

After two rounds of consultation the list of new programmes in England for 2006-2009 has been decided for the Big Lottery fund. Programmes for Northern Ireland, Wales and Scotland are expected to be announced later in 2005. The 3 main themes that will be funded are:

- Supporting community learning and creating opportunity;
- Promoting community safety and cohesion;
- Promoting well-being.

Outcomes required that could connect with this proposed fund include stronger communities with more active citizens working together to tackle their problems and improved rural and urban environments. There is a commitment that between 60% and 70% of Big Lottery Funding will go to voluntary and community organisations.

Three programmes already announced could have an energy efficiency dimension:

- Initial consultation documents indicated an intention to provide funding for a significantly expanded Awards for All scheme, which will award 'easy to access' grants up to £10,000 up from the current limit of £5,000. At the end of September 2005 a call went out to voluntary and community sector to apply for the £40 million remaining to be allocated this year under the scheme;
- The Changing Spaces Programme, with up to £264 million to be allocated to community spaces, community enterprise, and access to the natural environment, contains a significant 'community enterprise' element. This is to improve the capacity of local communities to engage in local food projects and reduce waste. Encouraging energy efficiency could be viewed as encouraging waste reduction;
- The Reaching Communities programme, to be launched on December 7th, will provide up to £100 million p.a. in England mostly for voluntary and community groups. It is to be demand led within the overall aim of improving the quality of life in communities. This programme is also using a streamlined application process with feedback on initial proposals. There may be useful lessons to be learnt for an energy efficiency fund.

Big Lottery funding is likely to be appropriate for mature community and voluntary groups who can self-manage with relatively little external support and therefore smaller groups may not make use of this opportunity.

As the lottery funding structures have recently changed and they have gone through a series of consultations to develop their new priorities up to 2009, it seems unlikely that a new fund could be established in partnership with them as, for example, the SEED Programme developed. It therefore seems that a small grant fund should see the Big Lottery as providing complementary funding for community and voluntary projects, rather than a source of funding for an independent fund.

4.1.6 Option 6: Other government funding

Government funding is currently in transition. The next *Comprehensive Spending Review* due to be completed in 2006 will determine future funding priorities for government departments. New challenges identified include 'increasing pressures on our natural resources and global climate from rapid economic and population growth in the developing world and sustained demand for fossil fuels in advanced economies'. Many longstanding grant programmes have closed, or are about to close. New approaches, such as Local Area Agreements (LAAs) are either being piloted or about to be introduced.

LAAs are a new approach to the working relationship between central government, local authorities and the voluntary and community sector focusing on four themes: Safer and Stronger Communities (SSC); Healthier Communities and Older People; Children and Young People and Economic Development and Enterprise. Energy and fuel poverty have been identified as cross-cutting outcomes by ODPM, which increases the risk that they will be left out of LAA's. LAA's are an agreement on a programme of activity to deliver shared priorities that will make a real difference to local communities. LAA's encourage partnership working, pooling of skills and resources through Local Strategic Partnerships (LSP's) and delivery of community strategy outcomes. For a small number of outcomes they provide pump-priming funding to assist with achievement of 'stretch targets', leading to substantial reward funding. 21 areas are piloting LAAs from April 2005 negotiating three-year agreements with Government Offices. The SSC theme is being currently introduced into all areas.

The implications, including the potential for unexpected consequences, of either working within or outside local area agreement frameworks needs to be considered when designing a fund.

Through the voluntary and community sector ChangeUp programme, there is an increased emphasis on strengthening the strategic capability of the sector to deliver services that were previously provided by public sector bodies. There is a possibility for delivery of energy efficiency services by community groups to be supported under this scheme.

The new Defra Climate Challenge Fund may offer a funding opportunity. If further calls are made after the initial deadline of 31st March 2006, an approach could be made to Defra to deploy the pilot energy grant programme in England through future calls. To work effectively for the community sector the fund would require some restructuring with more regular or rolling deadlines and marketing linked to CAfE. However, this would not fill the funding gap in the devolved nations.

| Department | Assessment |
|--|--|
| <p>Department of Food, Environment & Rural Affairs (Defra)</p> | <p>Energy efficiency is being promoted at the highest levels: 'Environment Secretary Margaret Beckett opened a major conference on energy efficiency in London on 2 November 2005. She told delegates that a European action plan to improve energy efficiency can spearhead global efforts to reduce energy waste and cut greenhouse gases'.</p> <p>The Defra Public Service Agreement (PSA) for 2005-2008 explicitly covers energy efficiency:</p> <p>PSA 2 'To reduce greenhouse gas emissions to 12.5% below 1990 levels in line with our Kyoto commitment and move towards a 20% reduction in carbon dioxide emissions below 1990 levels by 2010, through measures including energy efficiency and renewables.</p> <p>This PSA is held jointly with the Department for Transport and the Department for Trade and Industry (PSA 4).</p> <p>Defra and DTI also have a joint PSA target to: 'Eliminate fuel poverty in vulnerable households in England by 2010 in line with the Government's Fuel Poverty Strategy Objectives'.</p> <p>Defra's Climate Challenge Fund is offering non capital funding for appropriate communications about climate change.</p> |
| <p>Home Office</p> | <p>Most funding is targeted at meeting the specific needs of disadvantaged communities, which prevents national coverage. The focus of the recently announced (31 October 2005) strategic funding round from the Active Communities Unit is to make more than £10 million available to voluntary sector and other not-for-profit organisations who demonstrate the ability to use their practical experience to influence the national debate on volunteering.</p> |
| <p>Office of the Deputy Prime Minister ODPM</p> | <p>On 13th September ODPM announced further plans to improve energy efficiency of existing buildings.</p> <p>'The Government is also concerned to further improve energy efficiency in existing buildings. Households are responsible for about 30% of total UK energy use. We have already improved energy efficiencies in existing buildings through more efficient replacement boilers and windows, and the Decent Homes programme which has achieved substantial savings of carbon emissions per year through the refurbishment of social and rented housing. But we need to go further. Therefore ODPM will be leading a review, in conjunction with HM Treasury, DTI and Defra, to identify measures to increase the sustainability of existing dwellings. The review will start urgently with a view to consulting stakeholders in Spring 2006. Consequential amendments for existing housing stock will not be implemented through the new Part L regulations. Instead, building regulations will be considered alongside other issues including the role of possible incentives, voluntary initiatives and Home Information Packs'.</p> <p>At an Institute for Public Policy Research organised seminar on building sustainable communities in July 2005, Yvette Cooper, Minister for Housing and Planning, and lead for ODPM on sustainable development, stated of new housing developments:</p> <p>'... they need to be environmentally sustainable - building first on brownfield sites and recycling land, improving energy efficiency and addressing wider issues like water use and flooding'.</p> |

This variety of routes provides several possible funding options for the creation of a new fund. We believe that EST perhaps offers the most straightforward route, but the other options highlighted should be considered. This would provide a wider range of opportunities in terms of establishing a fund and/or offer a way to create a more substantial funding pot. If the funding did come from a private sector source it would create a useful match for other existing public sector grant schemes.

We were not asked to consider how large the total fund size should be as part of this research and a pilot to gauge interest or wider consultation may be needed to get a clearer picture of this. However, we believe that the fund should be ambitious. As the set-up, marketing and to some extent management costs will be relatively fixed, regardless of the size of the fund, it makes sense to build a large fund.

To work effectively on a UK wide basis discussions would also need to be held with, in particular the Scottish Executive, but also, with the Welsh Assembly and the Northern Ireland Executive.

4.1.7 Detailed recommendations - funding

1. Start with an approach to the Energy Saving Trust.
2. Consider an approach Defra to request that a pilot energy grants scheme is deployed in England via a restructured Climate Challenge Fund.
3. Make a formal approach to current energy supply companies and our recommended mainstream companies to establish levels of interest and criteria for their corporate social responsibility activities to provide match funding.
4. Investigate possibilities of publicising a fund through the energy supply companies' channels.
5. Approach our indicated major charitable foundations for either some match funding, funding of part of a pilot, or funding of specific elements of a funding package such as training, marketing, visits to exemplar projects etc. We recommend approaching either the Esmée Fairbairn Foundation or the Ashden Trust initially, but building up a funding strategy involving more than one trust or foundation is likely to be more successful than relying on one alone.
6. Enter into discussions with both the Big Lottery Fund and relevant government departments to ensure energy efficiency is emphasised as a priority area of action for both waste reduction and community projects.
7. Hold discussions with both the Big Lottery and relevant government departments around joint marketing and mutual signposting of opportunities for community groups in energy efficiency.
8. If the EST route looks unlikely, approach ODPM and Defra independently for core funding, to support Defra's achievement of PSA 1 and 2 and to fulfil the ODPM sustainable communities mandate.
9. Explore a potential partnership with the DTI, to support social enterprise initiatives that involve energy efficiency.

4.2 Who could manage it?

A number of possible options were considered for the management of a new small grants fund.

4.2.1 Option 1: A fund run as part of CAfE

CAfE is a programme from EST that is designed to promote and facilitate local community-based energy projects. The aim of the programme is to encourage community sector groups to engage with CAfE, begin to integrate energy into their existing work, and ultimately deliver projects.

The programme offers a range of services and resources to encourage this to happen, including:

- A national network of members;
- Case studies;
- A database of community energy projects;
- Regular newsletters;
- Training courses for community groups and members;
- Training courses for energy professionals;
- A national CAfE conference;
- A community support panel;
- Information on sources of grant funding;
- An 'Energy Efficiency Guide for Community Projects' ;
- Travel bursaries;
- A helpline;
- Written and online resources including briefing notes and publicity resources.

CAfE was set up as a pilot project in 2002 and the current work programme is planned to run until March 2007. Since it started, a network of over 1800 members have built up, and started to make use of the resources and services on offer. Independent evaluations of the programme have shown that members are interested in developing energy projects and many of them join the network to get information about funding sources to help with this.

Advantages

- Likely to encourage new members to join the network.
- It would support existing members by enabling them to develop and deliver local community based energy projects.
- The marketing, administration, and monitoring of grants could easily be built into the managing agent's work programme.
- It is likely to be a cost effective approach compared to some of the other options considered below.
- The CAfE team would be able to provide energy related advice and guidance to applicants increasing the quality of applications.

- Existing areas of support from CAfE could be built into the fund i.e. travel bursaries and the Community Support Panel could be something groups could apply to the fund for. This could lead to a clearer and more streamlined CAfE service.

Disadvantages

- May not offer such an effective route to engage with new community sector groups, compared to using an established non energy community network.
- There is evidence from the regional survey that local representation is an important concern, and mechanisms would need to be developed to enable this to happen if the fund is run centrally as part of CAfE. This would need to be done in such a way that it would not lead to conflict of interests between regional advisers and the applicants - i.e. if an advisor was based in a local EEAC would this mean that the EEAC could not be involved in a local project?

4.2.2 Option 2: The EEAC network

EEACs provide free, impartial and locally relevant energy efficiency advice and expertise. They provide a national network covering the UK comprising of 46 centres that are supported centrally to ensure quality and service standards are maintained. They work in partnership with local and national bodies to help householders improve the energy efficiency and comfort of their homes. Many also work with schools and community groups and advise on renewables as well as energy efficiency. Some work proactively to develop programmes and funding opportunities to suit the local communities they serve. Most provide talks to community groups, and attend local events, to enable them to reach new audiences and encourage them to become engaged with energy efficiency.

EEACs are funded by the Energy Saving Trust and also receive support from local authorities, energy suppliers, installers and manufacturers. Although they all provide a range of standard services the structure and size of EEACs varies. Some are independent organisations, others are part of local authorities or of larger sustainable energy agencies.

The EEAC network is currently going through a period of change. Until recently, the network comprised of 52 advice centres but there has been some consolidation reducing this number to 46, although total UK coverage is still provided. There are proposals from EST to change the EEAC network into a smaller network of Sustainable Energy Centres that are likely to have a wider remit than just home energy efficiency. EST is currently piloting the Sustainable Energy Centre idea in three areas with a view to potentially rolling out the concept during 2008/09. How the idea progresses will depend on the results of the pilot, but it is likely that there will be in the region of 20 to 25 Sustainable Energy Centres which will lead to further consolidation of the existing EEAC network.

Advantages

- EEACs or new Sustainable Energy Centres will offer a local face for promotion and support of any new fund.
- Some are likely to have a good understanding of the community sector in their area.
- They provide complete coverage of the UK population.
- The new fund could help them reach new audiences and meet internal targets.

Disadvantages

- Potential conflict of interest if EEACs administer grants locally as it may prevent them from applying for funds to support community groups in their area.
- Uncertainty around the current number and structure of EEACs.
- Uncertainty about the new role that Sustainable Energy Centres may have.
- Not all EEACs administer grants.
- None of the mainstream community group facilitators we interviewed mentioned EEACs as a source of information, indicating a low profile and/or expertise in the mainstream regeneration world.

4.2.3 Option 3: Community Foundations

Community Foundations are charitable trusts that support local community causes in the UK. They manage donor funds and build endowments to make grants to community groups, voluntary organisations and charities within their local area. They have been active in the UK since the 1980s and have grown to a network of approximately 60 foundations that currently cover most of the UK population. In 2003/04, they gave over £53 million, and as a combined force they are one of the largest non-government grant-making bodies in the UK, perhaps the largest working solely with communities. They are supported nationally by the Community Foundation Network (CFN), who also administer some national funds that are delivered via the network.

They administer the grants via a board of trustees, drawn from different sectors of the local community, and make use of advice from within the community by involving volunteers in grants committees. They have tried and tested grant making policies and procedures and have a good knowledge and understanding of the local community and its needs.

To cover the costs of running their organisation, each Community Foundation will charge major donors for the grant-making done on their behalf. The amount of money that a foundation needs to charge depends on the complexity of the fund they are administering and this can be up to 10% of the total grant fund.

As well as local funding, there are several examples of CFN administering national funding programmes via network members, including schemes on behalf of the government, national companies and the National Lottery. Perhaps the smallest national fund they are currently administering nationally is around £4 million.

It seems likely that for this proposed small grant fund that total fund size may be too small to make the Community Foundations a cost effective route for managing and implementing it. However, once a pilot is developed it would be worth discussing a full roll-out with them.

Advantages

- Skills, experience and knowledge of grant administration.
- Understanding of and connections with local community sector.
- Independence and recognition.
- Set up, management and audit procedures are likely to be highly effective.
- If there was a large financial commitment to the creation of a new fund, some Community Foundations may be willing to make a commitment to build on the fund by creating new endowments around it.

Disadvantages

- Administration costs may take a large slice of any new fund.
- Lack of understanding of sustainable energy issues.
- Possible problems integrating with CAfE and its members on a national basis.
- They do not cover the whole of the UK population (although they may be able to fill the current gaps by using other agencies).

4.2.4 Option 4: Councils for Voluntary Service

A CVS is a voluntary organisation which is set up, owned and run by the local groups it supports. Its role is to support, promote, and develop local voluntary and community action in the area they are based. They provide a range of services and act as a voice for the local voluntary and community sector. They are usually funded by the local authority and other local statutory agencies.

There are currently 357 CVS, working in almost every district and city in England and they are members of an umbrella body - National Association for Councils for Voluntary Service. Individual CVS differ in character and size to reflect the area they work in. They usually work to the same geographical boundaries as the local authority. Despite these different organisational structures, they all share the same purpose and values i.e. to support, promote and develop local voluntary and community action through five key functions:

- Services and support (access to basic facilities and equipment, community accountancy and employment advice, newsletters, training, funding advice and specialist services);
- Liaison (encouragement of networking between individuals and groups and the statutory and private sectors. Support to enable different communities to organise their own networking activity);
- Representation (enabling the views of local groups to be represented, for example by running forums to allow local groups to put forward their views on national and local policies);

- Development work (taking the lead in identifying gaps in service provision and working with groups to develop new and innovative services to meet these needs);
- Strategic partnerships (working in partnership with statutory agencies to shape the delivery of services, empowering local groups to get involved with local partnerships).

The set up in other regions of the UK share many similarities with England, but different overseeing bodies exist. In Scotland the umbrella body for the voluntary sector is the Scottish Council for Voluntary Organisations and there are nearly 60 CVS type organisations here.

In Wales there are 19 County Voluntary Councils that receive core funding from the National Assembly via Wales Council for Voluntary Action. As part of the funding agreement they work to a common set of standards and service provision, but rather than there being an overarching umbrella body they come together as a forum via the Wales Association of County Voluntary Councils.

In Northern Ireland the picture is slightly different. Rather than a network of CVS type organisations there are number of rural community support networks in the country and that are supported, along with other voluntary and community organisations, centrally through the Northern Ireland Council for Voluntary Action (similar to National Council for Voluntary Organisations in England).

From our research it is clear that many CVSs are administering funds in their local area such as Community Chests and funding through Primary Care Trusts. However, not all CVSs do this, and we have therefore not investigated this route further in other areas of the UK.

Advantages

- CVS and their equivalents in the devolved regions are likely to have a better and more detailed understanding of their local community sector and their needs.
- They have good communication routes to their local community sector.
- The range of community groups they can reach is likely to be higher than that of a centrally administered fund.

Disadvantages

- Regional differences may make the implementation of one model for a new fund difficult.
- Many CVS type organisations only advise on grants that are available, rather than administering grants themselves. As such gaps may occur in coverage.
- There is likely to be a knowledge gap in terms of energy efficiency issues.
- There could be a conflict of interest in terms of a local CVS managing applications from its own members for funding.

4.2.5 Detailed recommendations - managing

1. Explore possibilities of a new small grant fund being included as part of the CAfE programme, as the most cost effective development building on existing infrastructure.
2. Start discussions with the Community Foundation Network if a grant fund becomes large enough to be of interest. Explore possibilities of their providing complementary funding and mentoring support at a local level.
3. Link with appropriate national and regional CVS networks to ensure a roll out of marketing the schemes to groups.
4. Use the opportunity of greater linkages to explore joint training activities for community support groups to learn about energy issues, and energy groups to learn about community and funding issues, to close existing knowledge gaps.

4.3 How a new fund could be implemented

Our suggestions for how a new fund can be implemented are based on the type of application procedures that will be needed to ensure a new fund is successful. We have distilled the best practice, and information about what works, from a variety of funds including the research into why programmes have closed, the feedback from community groups, and the range of interviews we carried out. The aim is to ensure effective take-up and delivery of outcomes, in addition to building capacity. Specific features have been identified to ensure maximum outreach to those groups categorised as 'hard-to-reach' by designing the fund to be 'easier-to-access'. We have provided as many practical recommendations as possible. Appendix 9 provides more detail of our suggestions.

4.3.1 The following application guidance should be used for a pilot

These are based on an initial assumption that the pilot would offer revenue funding. More detailed recommendations for the development of a new fund and a draft application form can be found in Appendix 9 of this report.

In terms of the application procedures there are four key areas for consideration:

- General guidance;
- Criteria;
- Grant levels;
- Monitoring & reporting requirements.

4.3.2 General guidance and practical support

The application process needs to be transparent, simple and concise. We have provided detailed information on the application procedures to give a clear picture of the range of considerations that need to be taken into account to make the programme effective. These should be used as guidance when working up the final application procedures.

We recommend that to support and enable community groups to effectively engage with energy efficiency projects, they should receive as much support as possible to access the fund. This can be done centrally via the CAfE programme to a limited degree, but local organisations that understand the needs of groups and are trusted

by them, will be key to enabling the fund to be accessible and effective. We recommend:

- The CAfE team provide **telephone and email support** to enable groups to initially talk through their idea. Basic advice on whether the application is likely to get funded can then be given, or advice on how to improve an idea can be provided;
- That **mentoring/facilitation support** is offered. Many of the funds we looked at as part of this research took this approach and it ensured community groups found it easy to apply and made quality applications. To make this work, community groups should be able to receive a fast track grant of £350 to enable them to get a day's consultancy from an energy or community specialist to help them with their idea and application (this funding is in addition to the suggested grant levels and could be released when an application from a group is received - regardless of the outcome of their full application). This could be done through an expanded version of the CAfE Community Support Panel.

It would be beneficial to disseminate the findings from the projects that receive funding by adding details of the work into the CAfE projects database. Those projects with potential for more in-depth learning should be written up in greater detail as case studies. We do not think that community groups should be asked to do these themselves, rather information should be pulled out of their final reports (see below) by the CAfE team.

4.3.3 Criteria

Whilst we do not believe that grants should be tied to carbon savings or assessed on a basis of savings per pound spent, we think it is important that community groups have the idea of reducing carbon emissions raised when they apply to a new fund. As such, we recommend an overarching criteria of reducing carbon emissions is put in place, whilst making it clear that this can be achieved by changing attitudes and consequently behaviour (through awareness raising etc) or by developing projects that use measures to reduce energy demand or generate power from renewable energy sources. Clear guidance on how this might be achieved needs to be included within the guidance pack that accompanies the application form.

Another overarching criterion should be that a project demonstrates it will meet a need. This could be based on a project that sets out to involve or gather the views of the local community, or upon taking the results of past community involvement forwards.

In terms of what should be funded in a revenue scheme we would suggest:

- **Project development/feasibility** studies (to test the viability of a new idea, or to test the viability of an existing idea, but in a new location or with new partners, to provide 'bridging' requirements such as detailed drawings for a project that already seems feasible);
- **Training and management** (to help build the capacity of a community organisation);
- **Consultation and awareness-raising** (to ensure community involvement is an integral part of the project and that options for engagement are incorporated).

We have provided detailed examples of the sort of things that could be funded under these three headings in Appendix 9.

4.3.4 Grant levels

An upper limit of £5,000 should be sufficient for the activities suggested as appropriate for the pilot revenue fund.

While some flexibility is advisable in matching grant levels to the type of activities funded, this should be kept as simple as possible. Grants of up to £5,000 are indicated for project development and feasibility studies and up to £2,000 for management/training and awareness raising. Community consultation processes vary greatly in both scope and cost. It therefore seems advisable not to set too restrictive a limit on the levels of grants for this purpose at this stage but to look carefully at information gathered in the pilot scheme before finalising arrangements.

To help with the cash flow of community sector groups, we strongly recommend, in line with *National Compact* thinking³, that the fund provides at least 50% of any grant awarded up front, with the balance paid on completion of the project. If possible this should be even higher, maybe 70% as this is likely to make it much easier for small groups to take advantage of the funding. The new Climate Challenge Fund (see Appendix 3) sets a good example by stating in the conditions of grant offer that payment arrangements will be pre-agreed with successful applicants in accordance with the voluntary sector compact.

If, after a pilot and further consultation, it becomes clear that capital should be offered, grants of up to £10,000 should be considered.

4.3.5 Monitoring and reporting requirements

Applicants should be asked to design their own processes and criteria for monitoring the progress and effectiveness of their project. This will make it less daunting for many groups, but basic guidance on how and why to do this should be provided as part of the application pack.

It is important that funded groups provide feedback on the work they have done with the grant, but this must not be too onerous. A simple final report on the work that is funded should be a condition of the funding. To ensure that useful information is drawn out from each group it would make sense to provide a report format to enable them to do this.

³ The national compact is an agreement between government and the voluntary sector <http://www.thecompact.org.uk>. Its Funding and Procurement Code states that government undertakes to 'make payment in advance of expenditure (where appropriate and necessary) in order to achieve better value for money'

4.4 Suggestions for marketing a new fund

Marketing will be a central issue to the effectiveness of a new fund. Some of these points will be more important for a major fund, i.e. if the pilot demonstrates that a major fund should be created. They are included here because many of the recommendations could be tested as part of a pilot.

We have considered a number of key questions as part of this:

- Who are the 'customers'? i.e. to whom is the message aimed?
- What are the key factors required for people to take notice of marketing such a fund and move into action?
- How can you ensure that any marketing information developed will break through the communication gaps that we have identified?
- Recommended actions.

4.4.1 The customers/ audience

Our research has identified at least two sets of 'customers' or audiences for the marketing of this grant fund.

Facilitators, i.e. professionals whose job includes supporting groups to make funding applications

Feedback from regeneration and environmental facilitators indicated a number of gaps in their skills, knowledge and understanding of energy efficiency projects and their potential funding, summarised in our barriers table in section 3.1. This suggests that either the relevant information is not available, that it is not appropriately signposted, or perhaps that it is not clear and understandable when they do access it. We suspect it is a mixture of all three.

Community groups and their members themselves

We found relatively little evidence of community groups making their own applications for non-capital energy efficiency projects. Most we found were led by a partner such as a local authority or bigger voluntary sector organisation. Nevertheless several general groups told us that they would be very keen to do such projects, but they were not aware of any funding being available. Currently it does not seem that many community groups are making the connection between funding opportunities and existing funds. Marketing of a new fund will need to focus on how energy efficiency is a normal, mainstream regeneration activity that will incidentally save money.

4.4.2 Marketing elements

Our research suggests the following should be taken into account.

The what

Messages need to incorporate or suggest the following:

- Thinking that it is possible - easy to apply, funds available over an extended time period, and based on community needs as larger projects will take time to develop;
- Risk reduced by some payment available at the beginning of a project;

- This is a mainstream, not a specialist, area;
- Projects are easy to carry out;
- Appropriate and trusted support is available when needed;
- Support will be available during the lifetime of projects.

The where

Messages need to be put into community accessible channels, as well as energy-related channels. Use should be made of existing national, regional and local community networks as well as local media. Local newspapers, parish newsletters, community group newsletters and meetings need to be a prime route of information.

The who

Community groups need to access information about such a fund from people they know and trust. Those people need to be motivated and sufficiently informed to support community groups in developing such projects. Work should particularly be put in to build stronger and more formal links with larger community support networks to ensure that this happens.

The how

Responding to ideas of celebration, best practice and positive news seems to evoke more energetic outcomes, compared to just frightening people with dire stories of how we will be affected by climate change impacts, security of supply failures, and energy price rises.

A combination of push - the fear factor, with pull - celebrating best practice examples already in place, and showing how they might be replicated seems the best approach. Marketing of community energy projects, which are likely to have high levels of positive financial return, need to access the same enthusiasm that is currently enjoyed by the idea of developing financially sustainable community buildings housing social enterprises. These currently have less solid evidence of being able to generate positive cash flows.

4.4.3 Detailed recommendations

1. Develop marketing material for the fund, test it for acceptability with focus groups from both facilitators and community groups, and link it with the UK Climate Change Communications Strategy.
2. Gather together and promote all current examples of best practice to show that community energy efficiency projects are possible and to provide models of best practice that are replicable elsewhere with local adaptation.
3. Assume a viral marketing approach, using as many channels as possible to ensure information about the fund spreads by word of mouth - the most effective channel for community groups.
4. Decide criteria for and appoint accredited facilitator organisations who will be the locally appropriate first contact for applicants. Ensure fund is marketed through their existing channels.
5. Work with existing web-based networks to provide an initial single page of information to umbrella bodies.

6. Work with national umbrella bodies connecting with 'hard to reach' groups such as ethnic minority umbrella organisations, disability organisations, to get advice on how to present information in the most accessible way.
7. Continue to raise awareness via the CAfE programme by placing national/local press stories and articles in wider community sector journals and newsletters.
8. For a UK wide fund ensure all fund paperwork is available in Welsh.

5 OTHER WAYS OF ENCOURAGING COMMUNITY GROUPS IN ENERGY EFFICIENCY PROJECTS

We considered a number of alternative approaches to help community groups to access smaller grants and gain access to larger sums of money.

5.1 Make greater use of established channels in the energy community

A small but important step towards more joined up sustainable action that could be taken at a relatively low cost, would be to help build the capacity of community groups to access their own funding.

To some extent it is likely that many organisations in the energy sector are already helping community groups to access grants. We have considered CAfE separately, so when talking about this sector we are assuming it includes:

- Energy Efficiency Advice Centres;
- Energy NGOs;
- Energy Agencies;
- CRI and the Scottish Community and Householder Renewables Initiative (SCHRI).

Three mechanisms are likely to be taking place:

- Help and support to enable a community group to access funding itself;
- Energy organisations securing funding themselves to work with a community group;
- Signposting to sources of funding.

Help and support to access energy funding

Clear Skies and SCHRI have made funds for renewable energy projects more accessible. Alongside these funding streams, support has been offered to community groups through CRI in England, SCHRI in Scotland and Action Renewables in Northern Ireland (While this support has not been funded in Wales it has frequently been provided on an informal basis).

This is not to say that support has been confined to renewables. There are examples from the Innovations Programme, and from other non-energy sources of funding, that community groups have secured money through the support of a local energy organisation.

The CAfE programme has also started to make some steps to enable this to happen, particularly through the Community Support Panel which can provide a group with up to 1.5 days support, including funding advice.

Securing funding themselves

Many organisations in the energy sector develop projects that involve the community sector, either in isolation or in direct partnership with community groups. The CAfE project database and case studies are full of examples of this sort of approach and there is no doubt a lot of good work taking place across the UK.

However, the picture isn't clear on a national basis and it cannot be assumed that this is happening consistently because each energy organisation will have its own priorities and community groups will not necessarily be a major feature of these. In addition, in the case of projects that are not developed in partnership with a community group, it is likely that some of these have not improved the capacity of the groups involved to develop ownership and interest in the issues.

Signposting

Capacity within energy sector organisations varies greatly and as such it is likely that many cannot do any more than signpost a community group to a possible source of funding or hopefully, to CAfE.

Improving these mechanisms

To effectively overcome the barriers we have identified, two approaches will be needed. Firstly, valuable work could be done to open up possibilities for community groups to see how energy efficiency projects could benefit their communities. Secondly, and of equal value, would be a programme of training and awareness raising within channels in the energy community to enable them to become more 'community group friendly'.

Subject to these needs being addressed, we have considered two ways that the existing energy networks could be supported more proactively to help community groups. One mechanism would be to provide the existing energy organisations with direct funding to enable them to dedicate time and resources to support the community sector. Such an approach would need careful planning to ensure it was carried out in a consistent and effective manner on a UK wide scale. This would particularly be the case for energy NGOs and energy agencies as they are likely to have different priorities. The EEAC network might therefore be a more effective route for this sort of support, although this could also cause problems unless it is closely linked to the ESTs development of Sustainable Energy Centres. At present, we feel that further research and consultation would be needed if this approach is considered.

The second mechanism considered is the idea of providing the existing energy organisations with direct funding which they could then distribute to local groups in their area. Again, because of the issues highlighted above, and the fact that these organisations would need to cover their own costs of distributing any such grant, this may also be problematic without further research. Issues around consistency and transparency would also need to be carefully considered to ensure that no conflicts of interest arise. As such, we do not feel that this approach can currently be considered without further work.

CAfE Programme

The development of the CAfE programme has for the first time provided a national source of energy support and advice for the community sector in the UK. Since its conception a network of over 1800 members has built up (including energy professionals) and the service is already trying to support community groups in terms of funding through several initiatives:

- A funding database to signpost groups to possible funding sources;

- Training courses which include an element of fundraising;
- Funding features in newsletters;
- A Community Support Panel that can provide 1.5 days help, including project and funding development.

This service is helping to bridge some of the gaps we identified in terms of support and information but as the brief for this research pointed out “users of the CAfE programme have feedback that the one day of expert support they receive is not enough, and have identified a need for grants to assist with non-capital activity”.

If a new fund is not established it seems likely that this will be an on-going issue when trying to get action on the ground within the community sector. The situation could be improved if the current CAfE services were enhanced to help overcome some of the barriers we have identified. Not only would this further support the development of a new fund, but could also help more community groups increase their understanding and knowledge of energy issues and access a wider range of funding sources. We believe the following enhancements should be considered:

- Develop a free dedicated fundraising training programme and market it to community groups, their umbrella bodies and existing members of CAfE;
- Actively signpost CAfE members and others who access the CAfE information to relevant courses on fundraising already available through the network of CVSs in England and their equivalents in Northern Ireland, Scotland and Wales.
- Appoint a funding officer to the CAfE support team to provide hands on support to community groups in terms of identifying and applying to existing funding sources;
- Work more comprehensively with existing energy channels to develop an awareness raising and training programme for their staff to enable them to become more accessible to community groups;
- Improve the marketing channels currently used to reach a wider range of community groups, umbrella bodies and fund facilitators to enable them to see the benefits of local energy efficiency projects;
- Increase the level of support available through the Community Support Panel in terms of both the amount of time that can be spent with any one group and the total number of groups that can be supported each year.

5.1.1 Detailed recommendations

1. Work more comprehensively with the existing energy channels to increase their awareness and ability to work with the local community.
2. Improve marketing to show the benefits of community based energy projects to a much wider audience.
3. Consider a range of enhancements to the CAfE programme independently or as part of the development of a new small grant fund.

5.2 Ensuring access to graduated funding

It is important that community groups have an idea of where to go for further funding if, for instance, they are successful in getting funds for a feasibility study. The Graduated Funding Model is used by a number of organisations and provides a useful template for the design of a new funding programme. For example, it was available to arts organisations in 2004, via the Arts Council. It uses up to a three stage process to provide a clear ladder of development for an organisation to start small, but think big. It enables the building up of the foundation of systems and processes to cope with major investments, so that an organisation will have the capacity to run major projects in the future if that is its intention.

Firstly

Organisations and community groups that have potential, but need capacity strengthening, are encouraged to apply for a small grant of up to £5,000 which pays for an organisational capability analysis review/expansion feasibility study. The process of working with a consultant/facilitator helps bring forward potential long term plans, and builds up community groups participants' understanding of what is needed to expand. Areas that may need strengthening will include:

- **Governance** - including all systems and processes and accountability mechanisms to provide transparency of what the organisation does with other people's money;
- **Systems** - financial, ICT, personnel etc to underpin how the organisation works;
- **Marketing** - all the routes in which an organisation can find out potential need for its products and services and design a mechanism of fulfilling them in a way that someone will pay for.

Secondly

The organisational analysis/feasibility study is then used as a basis for applying to the Arts Council for further development funds for a period of up to 2 years. Examples of what can be funded include a major technical investment, a new marketing program, a development worker or a combination of capital/revenue.

Thirdly

Out of the development fund activity, an arts organisation could have been in a position to apply for long term regular funding if its activities are fulfilling Arts Council objectives by putting on innovative works or providing creative arts in a geographical area that would not otherwise have access to them.

5.2.1 Detailed recommendations

1. Recognise in the design of any new fund that different groups will enter the process at different stages of development.
2. Ensure that any fund enables groups to progress from one stage to another, either by providing next stage funding itself, or by clear signposting or introduction to alternative sources of funding.
3. Explore reciprocal arrangements with funds that can provide second or third stage funding, to include capital funds. Include fast track recognition of foundations built via this revenue fund, so that, where appropriate, community groups can progress projects along a ladder of energy efficiency development.

5.3 Encourage use of the Balanced Scorecard

This is more a tool than a support model. The Balanced Scorecard is a way of looking at a business or organisation’s performance in a rounded way, while keeping the number of indicators to a minimum. The original business focused model is clearly described at www.balancedscorecard.org/basics/bsc1.html and its adaptation to use with community enterprises getting Adventure Capital Fund support is at www.adventurecapitalfund.org.uk/resources/scorecard.jsp

A firm or community organisation chooses measures that line up with its overall strategy i.e. where it wants to go and how it intends to get there. Using this framework it keeps in touch with a range of aspects of its business performance, not just the financial ones. Working together to agree what the key measures are that will indicate overall successful performance has proved a challenging but very rewarding exercise for many commercial firms. In the Adventure Capital Fund it is providing a baseline set of key performance measures that can be used to evaluate progress and long-term impact in several areas over time.

We have adapted this tool to be applicable to measuring progress of a community group implementing an energy efficiency project.

| | |
|--|--|
| <p>1. Social return What difference will this project make in your local community?</p> <p>e.g. how will it involve members of the community?</p> | <p>2. The clients/beneficiaries What different markets/audiences will this project serve?</p> <p>e.g. what traditionally ‘hard to reach’ groups will it connect with? (possibility of grant funding)</p> <p>What fee paying groups will it connect with? (possibility of revenue generation leading to financial sustainability)</p> |
| <p>3. The environmental picture How much energy saving, transport reduction or other environmental benefits will your project generate?</p> <p>e.g. reduction in gas/electric bills; local sourcing of insulation material etc</p> | <p>4. Organisational development What different elements of organisational capability do you have in place?</p> <p>What needs developing to enable you to take your planned next step?</p> <p>e.g. ability to run own finances, generate budgets, cash flow forecasts etc to satisfy funders or social investors</p> |

5.3.1 Detailed recommendation

1. Promote this tool to those that receive funding to help them develop their long-term strategic thinking. It would provide some baseline measures for later analysis of the longer term impact of any projects.

5.4 Encourage accessible web-based information provision

Websites have the potential to provide community groups with all the information they need to get a community energy project underway. There are already a number of informative and helpful sites; however, the key to their effectiveness, in terms of allowing communities to access funds, lies in how easy they are to find and navigate. The following are provided as examples:

Existing national networks

Community Action for Energy www.est.org.uk/cafe/

The existing CAfE website can already provide community organisations with a network forum of advice, best practice examples, a list of funding sources, as well as lists of events, links and key documents.

The site arrives at, or near the top, of the list produced under applicable search engine terms. The site is designed with community groups, widely defined, in mind. It lists a number of other websites community groups would find useful.

Existing, broad regional forum

Yorkshire and Humber Regional Environment Hub www.yhref.org.uk/info.cfm

The Environment Hub is funded by Yorkshire Forward, the relevant Regional Development Agency. It provides a clearing house for environmental data for the region, an information resource centre, a capacity-building resource for other organisations to deliver on regional environmental priorities, discussion boards and links to key local events and documents.

The Environment Hub is a technical project, designed to fit in with regional strategic objectives. It brings in a big range of policy areas, including biodiversity, economic development and recycling. There is no specific page or portal for community groups, and they are not prioritised as key potential users of the site.

Our South West www.oursouthwest.com

This is a similar resource, but has a broader range and is designed with the general public more in mind. This reflects its origins as a partnership project; although funded and hosted by the Government Office for the South West (GOSW), it has a remit to address sustainable development across all sectors. GOSW wanted to ensure that all interested parties in the region would be able to readily access key regional and national sustainability information. The site became the region's flagship for promoting sustainable development issues and was probably one of the world's first regional websites dedicated to encouraging and enabling sustainable development at the local, regional and business level.

The site provides key data, advice and guidance, a list of local practitioners and support for the local business sector. Nonetheless, despite aiming to be a regional one-stop shop for environmental sustainability information, again it has no specific page or portal for community groups, and no specific links to sources of funding.

Specific regional/local resource:

Highlands and Islands Community Energy Company www.hie.co.uk/community-energy.html

This website provides community groups in the Highlands and Islands with an effective and comprehensive resource to support their community energy projects. It is a particularly good example of a dedicated resource for local community energy work, providing information on the Company's remit, funding requirements, scope and internal minutes, as well as comprehensive contacts, a discussion board and, crucially, a 'toolkit' designed with community groups in mind.

Other web resources

Trusts & foundations - http://hi-arts.co.uk/trusts_foundations.htm

UK Fundraising information and resources for fund raisers - <http://www.fundraising.co.uk/>

Grants information for the British charitable and non profit sector - <http://www.access-funds.co.uk/>

Funding Advisory Service Team - <http://www.fastgrant.co.uk/>

5.4.1 Detailed recommendations

1. When marketing a new fund, any web-based information needs to be accessible to community groups.
2. Ensure that the design and format of any web-based information is influenced by the opinion of a panel or focus group of community group members before it is released, to ensure it is both accessible and useful. Use best practice models identified here to guide any design or content.
3. As many community groups are more familiar with using websites of social enterprise and regeneration hubs, local authorities, national voluntary and community sector bodies, Rural Community Councils or government departments, any energy-based sites need to link to those sites.

6 DFES/DEFRA RESEARCH

We have been unable to secure a copy of the DfES and Defra report examining how both departments can work together to give a more coherent and strategic lead on sustainable development funding. As such we have not been able to comment on any relevant findings that could feed into this research.

7 CONCLUSIONS AND RECOMMENDATIONS

7.1 Existing funding opportunities

It is clear from our research, and the wider opportunities identified in the CAfE funding database, that there are already a number of sources of money that community groups can apply to for funding to develop an energy project. Appendix 3 of this report identifies a number of existing funds that could support this sort of work, including energy specific grants and broader environmental and community funding sources. In conjunction with the funding sources identified in the CAfE database this suggests that there may already be in the region of 60 potential sources of funds that community groups could access. However, we would argue this does not provide a clear picture of the reality most groups face in accessing these funds.

Based on our own experience and the feedback from the devolved nations interviews we would suggest that there are a number of issues for community groups in engaging with the existing major energy funding routes in the UK. Foremost is the issue of complexity, in terms of the application, reporting and monitoring requirements, which are simply beyond the capacity of most community groups. There is also evidence to suggest that information about these potential sources of funding is not reaching the community sector and that the marketing messages used are not appealing to them. We also feel that the structure of these funds are not appropriate for the community sector, this includes issues of timing for the delivery of a project, a need to understand technical aspects of sustainable energy, the requirements of matched funding and a lack of flexibility within the criteria. We do not believe this is a question of perception from community groups, but the reality of these larger programmes. As such, it seems likely that many groups do not see these as suitable funding options. Linked closely to this point is the reality that these larger programmes are not interested in the type of small non-capital funding we have been asked to consider.

The broader range of funding for environmental and community groups often does not identify energy efficiency as an issue. This means that a community group has to adapt what they might want to do, to try and fit the criteria of the funder. Our research has identified that fund facilitators, even those who work within a broad environmental context, see energy efficiency as a specialist area in which they usually have no expertise, nor do they know where, or how, to gain that expertise.

The reality is that relatively few non-capital community based energy projects have come into existence, and those that have are often led by a larger partner such as a local authority or voluntary sector umbrella body. This suggests that despite the opportunities that exist, the lack of a dedicated revenue-based fund for energy work for community groups is a major barrier to such projects being developed.

Of the funds that do exist, few offer the type of revenue funding that it is being suggested a new fund could provide. On a UK wide basis, Awards for All is the only fund that could be seen as supporting what a new small grant fund may offer. Other smaller, regional trusts could also offer similar funding. Despite this cross-over, it seems likely that linking energy and revenue capacity building activities in

one dedicated new fund would make it simpler and more attractive for community groups; as such it would provide considerable added value to the sector. It could also provide valuable matched-funding to existing schemes.

Taking into account these issues, we currently do not think that the creation of a new small grant fund would directly duplicate the existing sources of funding available to community groups interested in developing an energy project. On the contrary, it seems likely that a fund aimed specifically at community groups to support revenue energy work will be filling an important gap in the energy funding market.

Another consideration is the broader issue of why community groups are not currently applying for funding for a community energy project through the existing opportunities. Whilst the brief for the research suggests, and our own experience backs up, that this may be because they are too complex for groups to access, this is unlikely to be the only reason that community groups are not currently engaging with energy. We have identified issues such as a lack of knowledge, interest, support and resources. These include a low awareness of any kind of energy hierarchy, amongst community groups, meaning energy efficiency is confused with renewable energy sources. There appears to be a lack of knowledge or information on what successful projects have already achieved and we found that both community groups and funding facilitators are often confused about which energy projects are possible and think it's too difficult to even start.

We firmly believe that in these times of extreme growth in energy prices it is certainly worth carrying out a pilot for this fund. This will need to be effectively marketed both to community groups themselves and any facilitators/people who signpost funding.

7.2 New opportunities are emerging

The energy funding market is undergoing a period of change as existing programmes come to an end. Two new opportunities that will emerge are detailed below and in Appendix 3. Both are likely to offer a new potential funding route for community groups, but we feel will not address many of the concerns we have highlighted above. We have highlighted further opportunities and changes that should be considered in Appendix 10.

Climate Challenge Fund

This new £6 million fund is open to local communicators, smaller groups, community groups, not-for-profit organisations and for profit companies where the project is not-for-profit. It will provide funding for appropriate communications about climate change, helping to cover the costs of creating and including climate change messages into existing communication channels. It is only available for projects in England.

Whilst the focus of this new fund is on climate change rather than energy it seems possible that it could help to overcome some of the issues we have identified above in terms of community groups' understanding of energy issues. However, there is uncertainty over whether or not there will be further calls for proposals after the

initial deadline of 31st March 2006. This limits the programme's usefulness to community groups as the opportunity will have passed by the time many become aware of it. One off calls like this can lead to rushed project development processes and projects being designed around the funding programme's criteria rather than around the community's aspirations and needs. The CCF is not specifically about energy efficiency and is likely to attract renewable energy and biodiversity themed applications as well. As it is also only available in England, it will not fill the funding gap in the devolved nations.

Any projects that specifically target the community sector could also lead to an increased interest in EST's CAfE programme if proper signposting is used.

Low Carbon Buildings Programme

The final details of this replacement for Clear Skies and the Solar PV grant programmes have not yet been finalised. It is likely to provide funding for community groups, individuals, architects, developers and the construction industry in England, Scotland and Wales. Its aim is to stimulate the micro-renewables market and reduce carbon emissions in 2 separate areas:

- Stream 1 - individual & community projects.
- Stream 2 - a limited number of high profile large-scale projects (new build & refurbishment).

The proposed support will include technical advice for large projects and capital grants for installation of micro-renewables.

7.3 Would a new fund be beneficial?

The majority of interviewees felt that a new small grant would be beneficial for community groups in their country, particularly if it has simple application procedures and is not too onerous in terms of outcomes. There was also a feeling that local and regional support would be an important consideration in the development of a new programme.

Many indicated that they would like to be consulted about any new fund, before it is established, particularly in the case of the devolved administrations and this should be heeded if a new fund is developed.

7.4 How much money needs to be available?

No clear answer was given on the most suitable size of individual grant. However, many of the energy professionals who had experience of working with the community sector felt a range of up to £5,000 would make a difference. Responses from community groups were split mainly between those who felt up to £5,000 would be sufficient, and those who thought it should be up to £10,000.

The suggestion that staged grants could be offered, depending on the type of work a community group wanted to do, was mentioned by some and this may be worth considering if a new fund is developed. Finally, there were some suggestions that matched funding should not be a requirement if possible.

In this report we strongly recommend a thorough, different from usual, marketing campaign, as well as the provision of costed support to applicants and facilitation

and advice to be provided by mainstream regeneration advisers who will need to be trained. The overall fund, and its pilot, needs to be fully costed to include all these aspects.

7.5 Capital, revenue or both?

There was a general feeling in our discussions with community groups and energy workers that both sorts of funding would be most beneficial for community groups. Community groups' preferences between the types of funding is almost 50:50. Of the groups that are currently seeking funding for an energy project, all of them were for capital work.

Whilst there was recognition that revenue funding may be more useful in some cases, there was a feeling that as many of the major sources of potential capital funding are coming to an end there is some uncertainty about how the replacement funds may look. There is a danger that community groups could be supported to develop an idea for which they cannot access capital funding. This is an important issue, which must be taken into account.

7.6 Devolved nations

There are no major differences between the UK countries in terms of the opportunities that exist to secure energy funding, but there are differences in the level of support available to community groups.

7.7 Community based action is important

Through this research, from our own experience, and from the work already carried out by CAG Consultants on behalf of the Partnership (The Benefits of Community Based Energy Efficiency Projects, 2004) we believe that community group action will be important for communicating sustainable energy messages and delivering action to help tackle climate change. It is likely that a new small grant will help to encourage this, subject to the recommendations below.

7.8 Main recommendations

Throughout this report we have made recommendations relating to the range of themes we have covered. Here we list our main recommendations only.

7.8.1 Consultation and a pilot are needed

Firstly, the Education and Community Group and/or EST should formally consult CAfE members and a sample of the wider energy and community sector to assess the likely demand for a new revenue fund. This could be done on the back of this report, so that people are able to see the work that has already been done in terms of thinking about a new fund. A standard consultation document asking key questions should be developed to ensure consistency.

Secondly, a new grant fund should be established as a pilot. This would quickly enable a clearer picture of the level of potential demand, and the sort of funding that is needed, to emerge. It would also allow the draft application procedures we are recommending to be tested and refined if it becomes clear that there is a strong demand for a new fund.

These approaches would make it possible to make a more informed decision about the potential of setting up a major small grant programme in the UK. They could run concurrently, or a pilot could be set up after wider consultation. It would allow some time to consider the implications of the major changes in the structure and nature of funding that are occurring as highlighted in Appendix 10. Finally, it would provide a mechanism to begin to build cross-sector support for the idea.

7.8.2 A new fund will be better than no fund

Through this research we have had some caution about setting up a new fund, namely the issue of capital and revenue and evidence of need (expanded upon in Appendix 1). However, we do recognise that in comparison with the 'business as usual' case, a well marketed new fund is likely to be the best way to engage with, support, and help the community sector to deliver sustainable energy projects. We do not feel that the alternative models considered as part of this research will be anywhere near as effective as a new fund.

7.8.3 EST should be approached to secure money for a pilot

We recommend that a formal approach is made to EST to secure an initial pot of funding to pilot the idea of a new fund. Of all the options we have considered, we believe funding through this route would perhaps be the easiest to obtain and manage. If the pilot shows a new grant fund will have a major impact on community group involvement with sustainable energy, a case for more substantial funding can be made. It will be particularly important to evaluate the impact of such a pilot fund on attitudes towards energy efficiency, as well as measuring technical efficiency gains.

If EST were unable to provide funding for a full programme, a number of other potential funders could also be approached. This could also be a way to build a bigger potential pot for grants. To do this effectively we recommend that the results of the pilot, and any consultation, are used to develop a firmer picture of: what the fund will do; how it could help to meet a potential funder's interests; and how the whole idea has attracted substantial backing from all levels - i.e. community groups, government, the energy sector. At that point, a clear prospectus can be prepared and an initial outline sent to the other potential funders identified in this research.

7.8.4 A restructured Climate Challenge Fund could support a pilot

If there are further calls to the Climate Challenge Fund after March 2006 and if Defra would be willing to discuss restructuring the application structures the case for funding a pilot through this route could be considered. To make this a viable option for the community sector it would be necessary to have more regular and rolling deadlines. It would also require additional marketing resources linked with the CAfE programme. However, if a pilot was established through this route it would exclude the devolved nations.

7.8.5 The pilot fund should be linked to CAfE

We believe that the most cost effective and logical way to pilot and/or develop a new small grant fund would be for EST to include it as part of their CAfE service. It

is likely to have a major impact on the service in terms of gaining new members and encouraging existing ones to take action. The costs of administering and monitoring the fund are likely to be low in comparison to other approaches. Staff time could also be saved if some of the existing CAfE services were co-ordinated with the management of the grant fund.

We would recommend that management of a major fund be put out to tender, for which CAfE would be able to bid along with others.

7.8.6 The existing CAfE services should be enhanced

It is clear from this research that CAfE has started to make progress in terms of raising awareness and supporting the community sector to engage with energy. However, the evidence suggests that many groups and organisations that support them are still unaware of the service, what the benefits of local projects are, what projects have already taken place and what opportunities exist to develop such projects. We believe there are a number of enhancements that could help to overcome these problems and the broader barriers we have identified through this work. We recommend that the following options should be considered alongside the development of a new pilot fund:

- Develop a free dedicated fundraising training programme and market it to community groups, their umbrella bodies and existing members of CAfE;
- Actively signpost CAfE members, and others who access the CAfE information, to relevant courses on fundraising already available through the network of CVSs in England and their equivalents in Northern Ireland, Scotland and Wales.
- Appoint a funding officer into the CAfE support team to enable them to give hands on support to community groups to both identify, and apply, to existing funding sources;
- Work more comprehensively within existing energy channels to develop an awareness raising and training programme for their staff to enable them to become more accessible to community groups;
- Improve the marketing channels currently used to reach a wider range of community groups, umbrella bodies and fund facilitators to enable them to see the benefits of local energy efficiency projects;
- Increase the level of support available through the Community Support Panel in terms of both the amount of time that can be spent with any one group and the total number of groups that can be supported each year.

7.8.7 Offer development of fund to CAfE managing agent if no EST funding available

If EST support the concept of a new small grant fund, but is not currently able to make a substantial investment into developing the system, they could allow their CAfE managing agent to develop the grant fund themselves, using the sources we have identified within this report.

7.8.8 Build in sustainability from the beginning

Consultation and a pilot should provide a clearer idea about the total level of funding that will need to be secured for a full programme. We recommend that if a

major small grant fund is established that a long term sustainable funding strategy is developed. As part of this, an investigation into ways of making an initial investment into a more permanent funding stream should be considered. We recommend that best practice on how this may be achieved should be sought from the Community Foundation Network.

If a new national fund is established, the paperwork and information on the fund should also be made available in Welsh.

7.8.9 Provide clearest possible access

We recommend that all systems, procedures and information about this fund be made as accessible as possible. Any requirements such as having a formal constitution should be checked to ensure that they are necessary; this will go some way to removing some of the barriers we have identified.

7.8.10 Discussions should be held with major potential funders

We recommend that an approach is made to the Big Lottery (see Appendix 3) to ensure that energy efficiency is signposted in the new Awards for All scheme, and that the concept of reducing energy is included in the definition of waste reduction. Discussions should also be held around joint marketing and mutual signposting of opportunities for community group projects in energy.

We also recommend that similar discussions are held with relevant government departments and charitable foundations.

7.8.11 Take account of issues in the devolved nations

Many of the people we spoke to in the devolved administrations indicated that they would like to be consulted about any new fund, before it is established. We therefore recommend that they are given the chance to both consider the findings of this research and any decisions regarding the piloting of a new fund.

Although not an issue for a pilot project, if a major UK wide small grant is developed after a pilot phase the application and guidance procedures will need to be bilingual in Wales.

7.8.12 Work in partnership

We have discovered community groups who know little of energy efficiency and energy groups who are not reaching out to community groups. We recommend that the creation of this fund, its management and projects, becomes a benchmark example of working in partnership. This type of project requires an integrated approach and this fund is an opportunity to create that approach.

7.8.13 Spread the word about the energy hierarchy

The projects that emerge through the new Climate Challenge Fund should raise awareness of the energy hierarchy. We also recommend that EEPs and other energy programmes ensure that all sustainable development awareness-raising programmes emphasise that energy efficiency is the first energy action to take, after using no energy at all. The message needs to build in the concept that energy efficiency is equivalent to reducing waste of energy.

8 DISSEMINATION PLAN

The brief for this work included a request for a dissemination plan. Because of the point raised in our recommendations regarding the need for consultation on the idea of a new fund we suggest that this dissemination plan also be seen as a route to consultation.

We recommend that the following routes should be used:

- The CAfE Network - an article should be produced for the website and e-news and promoted through these routes, allowing members the option of downloading the full report if they wish;
- The Education & Community Group members - the report should be provided to all members of the group with the suggestion that they use their own networks to help disseminate the findings;
- Energy Efficiency Partnership for Homes - as with CAfE, an article should be produced for the Partnership website and highlighted in the e-news update, giving people the option to download the full report;
- Regional contacts - the group should email the people that took part in the interviews in Northern Ireland, Scotland and Wales to give them the opportunity to download the report from the Partnership/CAfE website;
- Contact needs to be made with national umbrella bodies for the community and voluntary sector, social enterprise, development trusts etc, to gather a wide range of community views;
- Local strategic partnerships are becoming the local umbrella bodies that align statutory and non statutory organisations in an area. We recommend dissemination through these partnerships to get the widest possible coverage;
- Community empowerment networks exist to support community members taking part in local strategic partnerships. They often have wide-ranging dissemination channels that could be used to both inform and consult on such a fund;
- A high-level policy makers seminar could be held to both disseminate the idea of such a fund and gain input from leaders of major community-related bodies;
- Web-based community related bodies, such as Creating: Excellence, ruralnet, the Plunkett Foundation, need to be contacted both for their advice on how further to disseminate, and as possible consultation routes;
- Housing associations are increasingly carrying out regeneration activities and supporting social enterprise. The National Housing Federation represents over 1,400 not-for-profit housing associations and would provide a conduit for connecting with many community groups;
- Once a way forward is agreed, articles need to be written for regeneration magazines such as Regeneration and Renewal, New Start, to raise awareness of the existence of the fund;
- At a more general level, the example of HSBC bank in providing information and advice on energy efficiency for its business customers needs to be promoted to banks that provide services to community groups. Banks such as Triodos, Charity Bank, CAF, Co-operative Bank often have examples of successful case studies of projects that could help community groups see what is possible.

APPENDIX 1 WHY WE ARE RECOMMENDING A PILOT

We have two principal concerns regarding the basis of this research which are fundamental to the development of a new small grant fund.

Firstly, the evidence for a demand for a new fund is currently inconclusive and patchy. The brief for this research stated that “Users of the CAfE programme...have identified a need for grants to assist with non-capital activity”. However, despite requests for a copy of this feedback from the Partnership, EST and the CAfE managing agent, this evidence has not been produced for us to evaluate. In addition, as mentioned in our conclusions, if community groups are not currently applying to the existing funding opportunities in any great numbers, the demand for a new fund is not entirely clear. Nevertheless, we believe that the activity to be funded, energy efficiency, is of growing national importance and likely to be seen as increasingly relevant to community groups. This report identifies that community group demand for funding to support such projects is mostly latent, or hidden at the moment. A question that needs to be tested by a pilot roll out of the fund is whether now is the time, with proper support, to realise that demand.

Secondly, the assumption that a new fund should offer revenue funding for energy efficiency related work is not evidence based. We understand that this was derived from CAfE members as quoted above, coupled with a belief that sufficient capital funding is available from other sources, particularly for renewable installations. We recognise the evidence we have gathered in this research is limited, but the feedback from the community groups showed that the majority of the projects groups were currently seeking money for were capital based. In addition, many interviewees expressed the view that both capital and revenue funding should be offered. Community Energy Plus’s own contact with community groups is most frequently in relation to enquiries about sources of capital funding.

There is no doubt that there have in the past been excellent opportunities for community groups to secure capital funding for the installation of renewable energy. This is changing though; Clear Skies and the Solar PV Programme have already stopped offering community grants and SHCRI is close to the point where all its funds are committed. The amount of funding, the application procedures etc. of the Low Carbon Buildings Programme is not yet clear, and they may not overcome the current problem that many community groups experience in accessing this sort of major fund.

In addition, many community groups are becoming increasingly interested in installing energy efficiency in their community buildings and there is currently no obvious source of funding available for this. It is therefore vital to monitor the availability of capital funding opportunities if a new revenue fund is developed. As well as the funds already mentioned, we would call attention to the work National Energy Action (NEA) have been doing around energy efficiency in community buildings. They have already run a pilot to

install energy efficiency measures and have raised the need for a larger programme to support this sort of work. The outcomes of their pilot and the effectiveness of their call for a new funding programme to be developed around this should be checked, see http://www.nea.org.uk/News_releases/?article_id=236 for more information.

We raise these points because it is our strong concern that community groups receiving non capital funding to develop their capacity, understanding and interest in sustainable energy, are very likely to want to develop practical projects that will require capital investment. If groups fail to find the necessary capital funding having been supported to develop these aspirations their willingness to stay engaged with energy is likely to be damaged.

APPENDIX 2: SUMMARY OF RESULTS

A2.1: Existing funding opportunities

A detailed matrix of existing funding opportunities is provided in Appendix 3.

We considered a range of energy specific grants and broader grants for environmental and community groups, but the list is not exhaustive. To avoid unnecessary duplication we have not included all of the funding opportunities already identified through the funding database on the CAfE website, these are listed at the end of Appendix 3.

The funding database on the CAfE website identified a total of 37 funding opportunities for community groups interested in developing an energy project. This database is being added to whenever the CAfE team identify a new possible source of funding. As part of our work we considered some of the funding sources identified in this database in more detail, but have mainly concentrated on other sources of funding. In total, 13 sources of funding and support for energy projects, including government, charitable trusts and companies were looked at.

In addition, 13 broader funds covering general environmental and community projects were identified. Of these funders, only one (Esmée Fairbairn Foundation) has specifically implied that energy projects can be funded, namely through its Environmental Programme that includes funding for a 'low carbon economy'. However, it appears the interest in this area is for larger projects, rather than individual schemes targeting one area or a building.

Although it is difficult to identify all sources of funding in the UK for this type of work, taking into account the opportunities we have looked at and the additional sources identified by CAfE there are around 60 potential sources of funding for community based energy projects.

The summary matrix below lists some key funding programmes open to community groups and the types of activity they are *likely* to support. It helps to identify where there may be gaps in funding now or in the near future as schemes close.

| Scheme | Capital RE costs | Capital EE costs | Talks, training, events | Feasibility studies/ research | Development costs | Regions | Status |
|--------------------------------|------------------|------------------|-------------------------|-------------------------------|-------------------|---------------------|-------------|
| Ashden Awards | 1 | 1 | 1 | 1 | 1 | UK | On-going |
| Clear Skies | 1 | | | 1 | | England NI Wales | Ends 2005 |
| Climate Change Fund | | | 1 | | | UK | Starts 2006 |
| Eaga PCT | | | 1 | 1 | | | On-going |
| EDF Energy Trust | | | 1 | | | Area based | On-going |
| EDF Green Energy Fund | 1 | | 1 | 1 | | EDF supply areas | On-going |
| Innovations Programme | 1 | 1 | 1 | 1 | | UK | tbc |
| Low Carbon Buildings Programme | 1 | | | | | | Starts 2006 |
| Solar PV scheme | 1 | | | | | UK | Ends 2005 |
| Awards for All | | | 1 | 1 | 1 | UK | On-going |
| Esmee Fairburn | | | | | 1 | UK | On-going |
| Garfield Weston Fdn. | | | 1 | 1 | 1 | UK | On-going |
| Lloyds TSB Fdn. | | | 1 | | 1 | England Wales | On-going |
| Powergen Green Plan | 1 | | | 1 | | | New |
| Sciencewise | | | 1 | | | | New |
| | 7 | 2 | 10 | 8 | 5 | | |

The gap funding matrix indicates that there are more potential funding sources available for revenue activities like talks, training, events and research than for capital measures and project development costs (salaries, capacity building). The most noticeable gap in funding is for capital energy efficiency measures (particularly for community buildings). Whilst a variety of funding sources are available for domestic energy efficiency measures they tend to be targeted at individuals rather than community groups (e.g. utility EEC grants, Warm Front, Decent Homes, Private Sector Renewal etc.).

A2.2: Details of closed funds

The result of the fund interviews we completed for this work area is included in Appendix 4

Reason for closure

Of the funds that had closed the reasons given included being oversubscribed and the money running out.

Energy aspect in terms of reference

Two of the funds examined, specifically mentioned energy as something that could be funded. Two others felt this could be covered under their general environmental objectives. The final fund included community involvement and this could offer a possible route in for an energy project.

Community group reference

All of the programmes would support community & voluntary groups; in addition some included other bodies such as parish/town councils and public sector bodies.

Processes

A range of grant processes were identified including the use of mentors and facilitators to help applicants through the process. Central forms of advice and guidance were also used by some funders.

Publicity

A wide range of publicity was used by the funds including:

- Contact with groups through existing work;
- Networking meetings, newsletters;
- Local media including articles and adverts in newspapers, radio, TV;
- Promotional events;
- Websites;
- Lottery outlets.

Demand and limitation

The range of support offered, varied between the programmes. Some had a maximum number of projects they could support and others had a range of grants on offer so the total number of projects supported would vary. The simpler funds reported that most projects that meet the criteria would be supported. Other funders were able to provide information on the number of applications actually getting through. Two funders were unable to provide any information on success rates.

Feasibility study focus

Three funds had no focus on feasibility studies. The other two would fund feasibility studies, one of which mentioned that there was a huge demand for them to the point where all the funding could have been spent on studies alone.

Capacity building

Four of the funds provided training and support to build a group's capacity.

Energy projects funded

Despite the fact that all of the funds could technically support an energy project only two actually did.

Comments on energy efficiency issues, barriers and likely demand

A range of comments were made on this area of the questionnaire which have been considered as part of the examination of barriers and benefits, and our work on the recommendations for implementing a new fund.

A2.3: Differences between England, Northern Ireland, Scotland & Wales

The result of the regional interviews we completed for this work area is included in Appendix 5.

Governance Overview

The following is taken directly from the EST Briefing Note 'Organisations in the Sustainable Energy Field', February 2004.

"As highlighted by 'Energy Review' (February 2002), energy is dealt with by more than one government department and from more than one aspect. Transport policy is located within the Department for Transport, planning and housing policy is located within the Office of the Deputy Prime Minister (ODPM), climate change policy including energy efficiency and combined heat and power policy are dealt with by the Department for Environment Food and Rural Affairs (Defra) and the remainder of energy policy including security of supply, emerging markets and renewable energy is dealt with by the Department of Trade and Industry (DTI).

While responsibility for energy policy in Great Britain is reserved to the DTI, a number of areas relating to energy policy are devolved to Scotland and Wales. In such cases the relevant national administration will deal with these issues. For example in Scotland, promotion of renewable energy and energy efficiency, environment policy, housing policy, building regulations, planning, certain power station consents and overhead electricity lines and gas pipeline consents are dealt with by the Scottish Executive. The National Assembly for Wales deals with environment policy, housing and planning and controls the budgets for certain energy efficiency schemes in Wales such as HEES, Energy Efficiency Best Practice and part of the activities of the Carbon Trust Wales.

The Northern Ireland administration is presently suspended. It had fully devolved powers, including legislative powers, in regard to energy policy. These powers are normally exercised in a manner which is consistent with European law and with energy policy in the rest of the United Kingdom unless such policy is not appropriate having regard to the particular circumstances in Northern Ireland. Energy policy is dealt with by the Department for Enterprise, Trade and Investment for Northern Ireland (DETI), which has 4 agencies including Invest Northern Ireland (Invest NI). Northern Ireland also has separate electricity and gas regulation arrangements, including its own regulator - the Northern Ireland Authority for Energy Regulation (NIAER). The Office for the Regulation of Electricity & Gas (OFREG) is the working name of the administration team who support the NIAER."

Existing Funding Opportunities

In terms of existing energy funding programmes there are relatively few differences in the opportunities available to community groups across the UK.

For renewable energy projects, Clear Skies offered funding in England, Northern Ireland and Wales for feasibility studies and installation. For this programme, which is no longer offering community grants, there was better support and additional funding opportunities in Northern Ireland via programmes from Northern Ireland Electricity. The equivalent in Scotland is the Scottish Community and Householder Renewables Initiative (SCHRI) which offered a more comprehensive range of support and funding for community groups.

In terms of advice on renewables, SCHRI provided this as an integral part of the programme. In Northern Ireland, support and advice was available through the Action Renewables Team. In England, the Community Renewables Initiative (CRI) provided advice in most areas. By contrast Wales did not have a similar advice programme or funding to provide one, although feedback suggests that most of the energy organisations in Wales are providing this information at their own expense.

Each country had a range of other funding opportunities from trusts etc, which could support community groups to develop an energy project. Although there appear to be a wider range of options in England, generally, no one country had significant advantages over another for these sorts of funds.

Interview Feedback

A total of 12 interviews were carried out with a range of people in each country of the UK, including regional governing bodies and energy agencies working at ground level. A list of the people who completed an interview is shown in the table below.

| Area | Name | Organisation |
|------------------|----------------------------|------------------------------------|
| Northern Ireland | Orla Ward | Belfast Energy Agency |
| Northern Ireland | Noel Rice | Northern Ireland Housing Executive |
| Northern Ireland | Jenny Boyd | Northern Ireland Electricity |
| Northern Ireland | David Stanley | Northern Ireland Executive (DETI) |
| Scotland | Jean Morrison | SCARF |
| Scotland | Billy Sloan | The Wise Group |
| Scotland | Ann Milovac | Scottish Executive |
| Scotland | John Mcsurland | Scottish Executive |
| Scotland | Nicholas Gubbins/Eric Dodd | Highlands and Islands Enterprise |
| Wales | Jake Holifield | West Wales Eco Centre |
| Wales | Francois Samuel | Welsh Assembly |
| Wales | Charlotte Gibson | Welsh Assembly |
| Wales | Jim Prosser | Welsh LGA |
| Wales | Jenny Lampard | Mid Wales Energy Agency |

A wide range of valid points were made in the interviews and they have provided some helpful points for considering how a new small grant programme could look. A question by question summary is provided below, with the detailed feedback from all of the interviews included in Appendix 5.

1. Do you find any problems with existing energy funding programmes that operate across the UK?

- None in particular was a common answer
- Difficult and inflexible application processes
- Competitive bidding leads to lots of unsuccessful applications, particularly if different regions don't have set budgets
- Community groups fall between gaps of big programmes
- Several big programmes coming to an end
- In Wales it was felt that devolved responsibilities were sometimes not picked up by the Assembly, meaning funds in England are not available in Wales (e.g. Community Renewable Initiative (CRI))
- Confusing for groups to identify most suitable fund
- Schemes often don't take account of regional differences
- Problem getting match funding

- Finding funds for energy efficiency work, once renewables done

2. Are you aware of any disadvantages for funding opportunities for energy projects in your country compared to others?

Northern Ireland

- Costs can be higher for insulation so set grant doesn't go as far
- Less money and flexibility for EEC (Energy Efficiency Commitment) equivalent funding
- National schemes often don't reflect the size of the country
- Historical baggage means some don't like having to apply to a fund run from England

Scotland

- Warm Homes not open to families in Scotland
- Generally most felt Scotland had less disadvantages than other areas
- Not enough money to meet the demand

Wales

- Some of the agencies that support the community are not fully resourced
- Community Energy criteria not suitable for Wales
- No funding available to support CRI in Wales
- Some Welsh funds are not as accessible as their English equivalent
- Some funds not available at all

England (based on our own thoughts)

We do not think there are any major disadvantages in England compared to the other regions.

3. Are you aware of any current advantages in funding opportunities for energy projects in your country compared to others?

Northern Ireland

- None in particular
- Good infrastructure for supporting community sector
- Advisors in Energy Agencies funded by Northern Ireland Electricity to support community groups (backed up with funding in some cases)
- Political will
- Legislation on energy provider
- Action Renewables set up to promote and support schemes in NI
- Flexible funding meaning national schemes can be supported by regional funds

Scotland

- Capital grants for renewables
- Simple government structures
- Generally better and more funding opportunities
- Active communities that are keen to develop projects

Wales

- Objective 1 & 2 in some areas
- Generally where Assembly has a responsibility there is a chance to create something that is better suited to Wales
- Sustainable Development Fund in national park areas
- Countryside Council for Wales supports environmental projects
- Good networking between energy agencies
- Easy access to ministers

England (based on our own thoughts)

- More variety and opportunities for community sector funding from central and regional government and charitable trusts and companies
- More variety in terms of community support networks

4. Do you think a new small grants fund would be beneficial in your country?

- Majority felt yes
- Government agencies wanted to be consulted on any proposals
- Feeling that regional support is an important consideration
- Flexibility, simplicity, not carbon saving based
- May cause confusion
- A few saw this as an opportunity to get more funds into their existing schemes

5. What size of fund do you think would be useful?

- Most felt this difficult to answer as it would depend on the project
- Range of sums suggested by others (Up to £5k would help, £10k better/ £4 to £5k/ £2 to £5k)
- Suggestion of allowing a percentage of any funding for management and evaluation
- 100% funding would ensure things happen
- If it has to be match funded, offer at least 40% of costs
- Stage funding (a few hundred for consultation, a few hundred to a few thousand for feasibility, two thousand or more for implementation)

6. Do you think it should offer funds for capital, revenue or both?

- Most said both would be good
- Definite interest in capital being available, but this is more straight forward and revenue may therefore be more useful
- Many mentioned the fact that Clear Skies and Solar PV programmes are closing so capital may be important (depending on replacement to these programmes)

- Capital is important if revenue funding leads to creation of expectation from community groups that cannot be met from existing funding

7. Can you think of any issues for a new small grant fund for community groups in your country? (other than those mentioned in Q1)

- Generally most felt there were no special issues. Only obvious one was the need for bilingual info in Wales
- Many felt fuel costs were higher in their country compared to other countries and that should be taken into account
- Remoteness mentioned as an issue in Scotland and Wales
- If a major small grant fund it created in the future, other social inclusion issues may need to be taken into account, particularly if the fund wants to work with ethnic groups in the UK

National Funder Perspectives

Telephone conversations were also held with five charitable trusts and companies that run national funding programmes. Without exception, all the funders indicated that they experience no issues with running one programme across the UK. They all had their own criteria, application and assessment procedures, and these were used without variation across the UK without any problems.

APPENDIX 3: EXISTING FUNDING OPPORTUNITIES

Energy specific grants

| GRANT NAME | FUNDER & CONTACTS | ££ RANGE, TYPE & % | ELIGIBLE APLICANTS | ELIGIBLE COSTS | MAIN CRITERIA/ CONDITIONS | DEADLINES/ PROCESS |
|--------------------------------------|--|---|--|---|---|--|
| Action Renewables | Tel. - Freephone 0800 512012 <u>Website:</u> http://www.actionrenewables.org/ | No funding - an advice service | Community Groups <u>Area:</u> Northern Ireland | None | Provides information and advice to community groups and householders in Northern Ireland | None |
| Ashden Awards for Sustainable Energy | The Ashden Awards for Sustainable Energy, Allington House, 150 Victoria Street, London SW1E 5AE Tel. 020 7410 0330 Email: info@ashdenawards.org Website: http://www.ashdenawards.org/ | Range: 2006 yr UK awards: 3 first prizes of £30,000, 2nd prizes of £10,000. UK Energy Champions Award = £15,000 | Community Groups, Local authorities, educational authorities, schools, architectural/ engineering practices, developers, NHS trusts, Hospitals, Businesses. Smaller organisations favoured. <u>Area:</u> UK & developing world. | A new phase of development or an interesting adaptation, replication or expansion, or dissemination of an existing project. For revenue and/or capital expenditure | To reward inspiring <i>existing</i> local sustainable energy schemes that protect the environment, tackle climate change and improve quality of life. 2006 UK Award Categories: 1. Energy generation from renewable sources (heat/ power) Energy efficiency 2. Sustainable Energy in Schools | Annual competitive call Deadline: 19 Jan 2006 (main award) 30 Jan 2006 (schools award) Outcome: June 2006 <u>Process:</u> Time consuming. Apply by email only. Shortlisted projects - panel visits, events & interviews in London. Outcome at awards ceremony. |

| | | | | | | |
|--------------------------------------|--|--|--|--|---|---|
| <p>Clear Skies</p> | <p>Building Research Establishment (BRE) and DTI</p> <p>Clear Skies BRE Ltd Building 17 Garston Watford WD25 9XX Helpline: 08702 430930 Scotland - T. 0800 138 8858</p> <p>Email: info@clear-skies.org</p> <p>www.clear-skies.org</p> | <p>Range: Up to £50,000 for community groups.</p> <p>Intervention rate: Max. 50% of capital costs.</p> <p>75% or up to £10,000 for feasibility studies (whichever is lower).</p> <p>£10 million fund</p> <p>Type: Public sector (UK Govt.)</p> | <p>Non profit Community Groups,</p> <p>Environmental trusts, Housing Associations, Local Authorities, Universities, Hospitals and other public service organisations, Homeowners</p> <p>Properties on or off the national grid are eligible.</p> <p>Area: England, Wales & Northern Ireland. (under represented areas prioritised for final call)</p> | <p>Feasibility studies (community groups only)</p> <p>Capital & installation costs of:</p> <p>Solar water heating. Wind Hydro Ground source heat pumps. Automated wood pellet stoves. Wood fuel boilers.</p> <p>Typical system costs & grants available for each technology are on the website. Training & accreditation for installers.</p> | <p>Grants for renewable energy projects. Must use accredited installers - listed on the website.</p> <p>Equipment must be new & not refurbished (check situation for specific hydro schemes).</p> <p>Seek at least 2 estimates before applying.</p> <p>Essential Criteria:</p> <p>Technically & financially viable (options appraisal needed), Community consultation & involvement, Enhance public awareness & understanding of renewables, Value for money Priority for wind or combined technologies in final round.</p> | <p>Launched 14 Jan 2003. Ends in 2005 - to be replaced by Low Carbon Buildings Programme</p> <p>Final Deadline for community projects was 4 Nov 2005</p> <p>Panel meets 13 Dec 2005. Outcome: end Dec 05.</p> <p>Grant must be spent by end March 2006.</p> <p>Process: Application forms available from the website - the installer helps with completion.</p> |
| <p>Climate Challenge Fund</p> | <p>DEFRA</p> <p>3/H 18, Ashdown House, 123 Victoria Street, London, SW1E 6DE</p> | <p>£5000 minimum</p> <p>No maximum limit</p> <p>£6m Fund budget</p> | <p>Local communicators</p> <p>Smaller groups</p> <p>Community groups</p> <p>Not-for-profit organisations</p> | <p>Communications materials</p> <p>Conferences/ events/ seminars</p> <p>Specialist help</p> | <p>Support for communication projects that seek to achieve a positive shift in public attitudes to climate change.</p> <p>To help cover the costs of creating and including climate change messages into existing communication channels.</p> | <p>New 3yr fund - launched Dec 2005</p> <p>Deadline: 31st March 2006</p> <p>Depending on</p> |

| | | | | | | |
|---|--|---|--|---|---|--|
| | <p>Email: ccf@defra.gsi.gov.uk</p> <p>Fund Website: www.climatechallenge.gov.uk</p> <p>UK Climate Change Programme website: http://www.Defra.gov.uk/environment/climatechange/02.htm</p> | <p>Match funding not essential but welcomed</p> <p>Budget: £12m</p> | <p>Commercial/ for profit companies where partners are not for profit/community/public sector</p> <p>Partnership applications combining skills relating to communications & climate change encouraged</p> <p>Up to 3 applications from 1 organisation allowed</p> <p>Area: England</p> | <p>Staff costs</p> <p>Overheads</p> <p>Travel & subsistence</p> <p>Plant, equipment, tools, IT equipt.</p> <p>Admin costs not more than 10% of project budget.</p> <p><u>Will Not Fund:</u> political campaigning/ advocacy or retrospective projects</p> | <p>For work at different levels - national organisations and regional and local level organisations.</p> | <p>the nature and quality of applications received in this funding round, there may future requests for applications.</p> <p>Process: Paper or electronic application form (9 pages) with accounts & annual reprot</p> <p>Guidance notes: http://www.climatechallenge.gov.uk/fund/DEFRA_CC_FundApplication_guidance_FINAL.pdf</p> <p>Earliest start date Summer 2006. Completion by Feb 2008</p> |
| <p>Community Renewables Initiative</p> | <p>Countryside Agency</p> <p>T. 01242 533260 (Answerphone)</p> | <p>No direct funding - an advice service</p> | <p>Community Groups</p> <p>Area: England</p> | <p>Free advice from local CRI support team</p> | <p>Free assistance to communities to devise & implement renewable energy projects that:</p> <p>Are environmentally sensitive; Have support of all stakeholders; Are appropriate to the circumstances of the locality;</p> | <p>CRI is expected to end in 2005 - awaiting a decision about future support</p> |

| | | | | | | |
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| | <p>E:cri@countryside.org.uk</p> <p>List of local support teams and contacts on the website: http://www.countryside.gov.uk/NewEnterprise/Economies/CRI.asp</p> | | | | <p>Link to other diversification & regeneration schemes.</p> <p>Typical free help available:</p> <p>Grants information; Review of grant applications (prior notice required); Technical advice (e.g. technology options); Community consultation events and processes; Planning information.</p> | |
| Eaga PCT grants | <p>The Eaga Partnership Charitable Trust 23 Macadam Gardens Penrith Cumbria CA11 9HS Tel & Fax: 01768 210220</p> <p>Email: eagact@aol.com Website: http://www.eaga.co.uk/Charitable/</p> | <p>Range: No minimum or maximum limit - larger projects preferred.</p> <p>Type: private sector</p> <p>Match-funding: Co-funding encouraged. In-kind match counts.</p> | <p>No applicant criteria</p> <p>'Organisations'</p> <p>Open to community groups</p> | <p>Includes:</p> <p>Salaries</p> <p>Travel</p> <p>Phones/ postage</p> <p>Stationery</p> <p>Report costs</p> <p>Promotion</p> <p>Dissemination</p> <p>VAT</p> | <p>Grants for "the relief of fuel poverty and the preservation and protection of health by the promotion of the efficient use of energy." Four areas:</p> <ol style="list-style-type: none"> 1) rigorous, policy-related research; 2) action projects (e.g. practical, community-based initiatives which have wider applicability); 3) the promotion of good practice (e.g. toolkits and workshops); 4) practical resource materials and events (e.g. training and education resources). <p>Does NOT fund: general fundraising, projects comprising solely of capital works, retrospective projects, energy advice materials, maintenance of websites.</p> | <p>3 rounds p.a. (Jan-May-Aug-Dec)</p> <p>Deadline: 16 Dec 2005 Assessment meeting: 3 Feb 2006 Decision a week after meeting date.</p> <p>Process: 8 page application form on web - submit by email or post</p> <p>Duration: No limit on project length, but most are 1 -3 yr projects.</p> |

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| <p>EEAC Service</p> <p>Core funded by the Govt. through the Energy Saving Trust & also independent income earned by each EEAC from other grants and projects</p> | <p>Energy Efficiency Advice Centres (EEAC's)</p> <p>52 independent advice centres across the UK funded by the Energy Saving Trust</p> <p>T. Freephone 0800 512012 - this diverts to the nearest EEAC</p> <p>Website: http://www.est.org.uk/myhome/localadvice/map/</p> | <p>No funding - an advice service</p> | <p>Individuals and organisations</p> <p>Areas: Scotland, England, Northern Ireland, Wales</p> | <p>Free advice</p> <p>Free talks</p> | <p>All EEACs offer free impartial energy efficiency and grants advice, many also offer advice on renewable energy</p> | <p>Lines open 9-5pm, Mon - Fri</p> <p>All year (except bank holidays)</p> |
| <p>EDF Energy Trust</p> <p>Funded solely by EDF Energy</p> | <p>EDF Energy Trust Freeport RLXG-RBYJ-USXE PO Box 42, Peterborough, PE3 8XH Tel. 01733 421021 (Charis)</p> <p>Web: http://www.edfenergytrust.org.uk/</p> | <p>Range not stated</p> <p>Type: private sector</p> | <p>Voluntary Organisations</p> | | <p>Grants to voluntary organisations working in the field of money advice, debt counselling or energy efficiency advice.</p> <p>Check the website or request a copy of the newsletter for latest news, but there seems to be limited information available between rounds.</p> | <p>No current deadline.</p> <p>Trustees are currently deciding the parameters for the next round - unlikely to be launched until early 2006.</p> |

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| <p>Green Energy Fund</p> <p>££ from voluntary contributions by customers, matched by LE & SWEB</p> <p>Launched Sept. 2001</p> | <p>EDF Energy</p> <p>Nigel French EDF Energy 329 Portland Road, Hove, East Sussex BN3 5SY</p> <p>Email: Nigel.French@EDFEnergy.com</p> <p>Tel. 01273 428641</p> | <p>Range: Max. £30,000 (£50,000 for high quality projects) Installation: £30,000 Feasibility: £5000 Up to 20% education No Min. level.</p> <p>Match-funding: required where it is available (e.g. from national schemes like Clear Skies)</p> <p>Type: private sector</p> | <p>Non profit or charitable organisations and organisations involved in education & work in the community</p> <p>Area: SWEB or London Electricity supply areas. Possibly also Seeboard Energy supply area.</p> | <p><i>Revenue:</i> Education</p> <p>Feasibility</p> <p><i>Capital:</i> Installation</p> | <p>For small-scale renewable energy projects</p> <p>Priority given to:</p> <p>Applications with match funding from other sources.</p> <p>Less established technologies.</p> <p>Benefit to local communities as well as the environment.</p> <p>Planning permission must be in place before applying.</p> | <p>Funding rounds every 6 months</p> <p>Next Deadline: 1 Dec 2005 (this may be brought forward if a lot of applications are received - phone to check)</p> <p>No application form. Apply by post or email on no more than 4 pages of A4, answering the list of Q's in the guidelines</p> |
| <p>Innovations Programme</p> <p>An Energy Saving Trust programme</p> | <p>Innovation Team</p> <p>Future Energy Solutions, AEA Technology, The Gemini Building Fermi Avenue, Harwell International Business Centre Didcot OX11 0QR Tel: 0870 190 6280 Email:</p> | <p>Intervention rate: Up to 70% for feasibility studies up to £10,000 (max. £3k for replication)</p> <p>Up to 50% for implementation up to £90,000 (max £50k for replication)</p> | <p>Must have an active Local Authority or Housing Association involved in project.</p> <p>Min. of 2 partners.</p> <p>Partners can be energy agencies, consultants, energy suppliers, community/charitable organisations.</p> | <p>Feasibility Studies</p> <p>Project implementation</p> <p>Capital assets purchased must be recorded on a register</p> <p>Will Not fund political, religious or</p> | <p>To address climate change in innovative ways or replicate successful Innovations projects. Feasibility study needed before applying for implementation stage. Projects must primarily target housing.</p> <p>Criteria: Effective project management & partnerships - Carbon reduction - Information dissemination - Holistic approach - Market development.</p> <p>Reporting is onerous: Feasibility: Monthly & final reports. Implementation: monthly monitoring, plus quarterly reporting on complex</p> | <p>Deadlines:</p> <p>30 Nov 2005</p> <p>Future rounds tbc</p> <p>Process: Ring first to discuss & get name of key contact; submit draft application 2 weeks before</p> |

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| | <p>Innovation.Progr amme@aeat.co. uk Practical Help T. 0870 241 2089</p> <p>http://www.est.org.uk/housingbuildings/funding/innovative/</p> <p>CAFÉ advice for community applicants: http://www.est.co.uk/cafe</p> | <p>Match-funding: public or private cash, private sector in-kind. LA/ HA in-kind does not count. Other central Govt. funding ineligible in most cases. Staged payments</p> | <p>Area: UK</p> | <p>statutory activities, or VAT</p> | <p>spreadsheet, annual & final audit certificates, annual carbon saving report (HEEData), final report incl. 1000 word summary & case study.</p> | <p>deadline; Complex application form, need CVs, letters of support & evidence of match. Outcome 4-6 weeks. Start within 3 months. Duration: Feasibility - 3 months max. Implement- ation - 2 yrs.</p> |
| <p>Low carbon buildings Programme</p> | <p>DTI</p> <p>Administrator to be appointed by DTI</p> <p>A web page to be set up by the administrator - in the meanwhile check the DTI renewables page - http://www.dti.gov.uk/renewables/</p> | <p>% tbc</p> <p>Budget: £30m over 3yrs to be split between household, community & larger projects (£1m has been brought forward to extend Clear Skies & DTI Solar PV schemes to bridge gap between existing schemes ending & new one starting)</p> | <p>Community groups</p> <p>Individuals</p> <p>Architects</p> <p>Developers</p> <p>Construction Industry</p> <p>Area: England, Scotland, Wales</p> <p>May fund activity not supported by the Scottish Community & Household Renewables Initiative (but the 2 schemes can't be matched)</p> | <p><i>Proposed:</i></p> <p><i>Technical advice for large projects</i></p> <p><i>Capital grants for installation of micro- renewables.</i></p> <p><i>Will Not fund:</i></p> <p><i>Capital costs of energy efficiency measures</i></p> | <p>New replacement fund for Clear Skies and DTI Solar PV scheme. Aims to stimulate the micro-renewables market and reduce carbon emissions. Stream 1 - individual & community projects. Stream 2 - a limited number of high profile large-scale projects (new build & refurbishment).</p> <p>Proposed criteria (tbc): Achieve greater engagement by the construction sector. Technology blind. Integrated design approach - energy efficiency & RE heat/cooling/ power. Innovative combinations of energy efficiency & micro-renewables in a single development. Demonstrate emerging micro-renewables.</p> | <p>Proposed 3yr programme due to start April 2006 (subject to securing State Aid approval).</p> <p>The national consultation process on the form of the new fund ended 23 Sept 2005.</p> <p>Process: competitive calls for proposals.</p> |

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| <p>Powergen Green Plan Fund</p> | <p>Powergen Community Relations Team T. 0870 419 1706 Email: greenplanfund@powergen.com www.powergen.co.uk</p> | <p>£2,500 to £25,000 Payment: 80% released at start, 20% on completion</p> | <p>Community Groups Not-for-profit organisations Joint proposals with LA's will be considered Area: England, Scotland, Wales</p> | <p><i>Purchase & implementation of capital equipment & associated costs - site acquisition, feasibility studies, design studies, project management</i> <i>Will not fund promotions, education or awareness raising</i></p> | <p>To support community renewable energy projects. Positive impact on local community. Positive environmental impact. Projects must have community involvement/ consent in their planning & application Technologies funded include: Solar thermal Solar PV Small scale onshore wind Biofuels (biomass, landfill gas, sewage gas, energy crops, not co-firing) Geothermal - incl. ground source heat pumps, Fuel cells Small scale hydro</p> | <p>Next deadline: 27 January 2006 Process: 4 page application form, email submission preferred, Applications assessed at twice yearly meetings, Min. of 2 projects per year selected</p> |
| <p>Scottish Community & Household Renewables Initiative</p> | <p>Scottish Executive Managed by Energy Saving Trust and Highland and Islands Enterprise T. 0800 138 8858 (SCHRI Hotline) http://www.est.org.uk/schri/</p> | <p>Average 50% for community projects but varies, up to £100k for capital costs Up to £10k for feasibility studies Budget: £2.2m plus £250k top up for 05-06yr (over £5m since</p> | <p>Legally constituted, non profit distributing community groups Charities Local Authorities Housing Associations Companies Universities</p> | <p><i>Capital costs of renewable energy equipment installation & associated costs (infrastructure, project management, community-developer partnerships, metering, ROC's, licences)</i></p> | <p>A one-stop shop offering grants, advice and project support to assist the development of new community and household renewable schemes in Scotland. Technologies include (but not limited to): hydro-electric wind solar water heating solar space heating heat pumps (ground, air and water source) automated wood fuel heating systems</p> | |

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| | | 2002) | Schools Householders Area: Applicants and projects must be in Scotland | <i>Feasibility Studies</i> <i>Community consultation</i> <i>Project development</i> <i>Capacity building (RE awareness raising, training & skills development)</i> | Will not fund Solar PV or non automated wood burning stoves | |
| Shell Springboard | Shell UK Ltd. Shell Springboard Tel. 020 7733 7428 Email: help@shellspringboard.org http://www.shellspringboard.org/ http://www.shellspringboard.org/ | Range: Up to 6 awards of £20,000-£40,000 each on offer in each of the 3 regions of the UK | Small businesses (less than 250 employees) - includes community interest companies, sole traders, partnerships, limited companies, university or govt. spin outs Area: 3 UK regions- 1. Scotland & Northern Ireland, 2. Northern & Central England, 3. Wales & Southern England | <i>No apparent restrictions</i> | Grants for products or services that will lead to greenhouse gas reductions. Criteria: Commercially viable Innovative Vision Competitive - 6 businesses will be shortlisted (2 from each region) & judged by a panel. There will be 1 overall UK winner. | Piloted in 2005 Deadline: 4 Nov 2005. Awards will be made early 2006. Process: On-line application form. Submit by website or post. Read the contract first. |

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| <p>Solar PV Scheme</p> | <p>Managed for the DTI by the Energy Saving Trust and the Halcrow Group.</p> <p>EST Tel hotline - 0800 298 3978</p> <p>www.solarpvgrants.co.uk</p> <p>Email: solarpvgrants@est.co.uk</p> <p>Contact your local electricity distribution network operator (DNO) and energy supplier as early as possible for details on grid connection agreements. (the installer may be able to help with contacts)</p> <p>General PV info. www.pv-uk.org.uk</p> | <p>Intervention rate: Small-scale grants: up to 50%.</p> <p>Medium & large-scale grants: up to 60%.</p> <p>Commercial org's: up to 40%.</p> <p>Range: No min. or max. grant level.</p> <p>Match-funding: Private sector projects cannot match with finance from UK Govt. or EU, if it takes public funding over the % of support above</p> | <p>Public bodies (65%)</p> <p>Voluntary organisations (65%)</p> <p>Social Housing Providers (65%)</p> <p>Community Groups (65%) & Community enterprises</p> <p>Householders (50% incl. VAT)</p> <p>SMEs (50%)</p> <p>Large private enterprise (40%)</p> <p>Area: UK - England, Wales, Scotland, Northern Ireland</p> | <p><i>Equipment and work directly related to the PV system</i></p> <p><i>Approved products & systems installed by an accredited installer.</i></p> <p><i>Excludes recoverable VAT.</i></p> <p><i>5% VAT on PV systems for domestic or charitable buildings.</i></p> <p><i>17.5% VAT on PV systems on business premises.</i></p> <p><i>0% VAT on new build homes.</i></p> | <p>Capital funding for solar electricity installations.</p> <p>Publicly visible/ high profile projects have an advantage.</p> <p>2 categories:</p> <p>Small scale projects = 0.5kWp - 5kWp</p> <p>Large-medium projects = 5kWp - 100kWp</p> <p>Approvals, insurance & planning consent (if required) must be in place before the grant can be released.</p> <p>Wait until first stage payment (up to 70% of grant) is released before installing equipment.</p> <p>Installation must be completed within 12 months of approval.</p> | <p>Scheme is ending - to be replaced by new Low Carbon Building Programme</p> <p>Deadline: Small grants: apply at any time until end Dec 2005 Medium- large projects - 2 Dec 2005 Final: Feb 2006 (tbc)</p> <p>Decisions in 2 - 3 weeks.</p> <p>Process: Accredited installer helps complete application form. List of installers on the website.</p> |
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Environmental and community grants

| GRANT NAME | FUNDER & CONTACTS | ££ RANGE, TYPE & % | ELIGIBLE APPLICANTS | ELIGIBLE COSTS | MAIN CRITERIA/ CONDITIONS | DEADLINES/ PROCESS |
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| <p>Awards for All</p> <p>A National Lottery programme</p> | <p>National Lottery</p> <p>Tel. 0845 600 2040</p> <p>http://www.awardsforall.org.uk/</p> | <p><u>Range:</u> £500 - £5000</p> <p><u>Type:</u> private sector</p> | <p>Not for profit groups from all sectors of the community</p> <p>Parish or Town councils</p> <p>Schools</p> <p>Health bodies</p> <p><u>Area:</u> UK national programme operating through nine regional offices in England.</p> | <p>Includes:</p> <p>Events, Activities, Performances, Publicity, Training, Project set up, Improvements to community facilities, Start up costs (staff, premises), Fees, Research costs, Equipment & materials, Transport costs, Volunteers' expenses</p> | <p>Funds projects that enable people to take part in art, sport, heritage and community activities, as well as projects that promote education, the <i>environment</i> and health in the local community. Check regional priorities. Will not fund activities that are part of statutory obligations or replace statutory funding.</p> | <p>Deadline: Applications can be made at any time</p> <p>Outcome within 8 weeks</p> <p><u>Process:</u> Short simple application form</p> |
| <p>Big Lottery</p> <p>Distributes half the Good Causes money from the National Lottery</p> | <p>National Lottery</p> <p>Head office 1 Plough Place, London EC4A 1DE Tel. 020 7211 1800</p> | <p>tbc</p> <p><u>Type:</u> private sector</p> <p>£2.3billion</p> | <p>Voluntary & community organisations</p> <p>Public Sector</p> | <p>tbc</p> | <p>Programmes for England: Voluntary & community sector infrastructure, Children's Play, Environmental - parks, community spaces, community enterprise (food), access to the natural environment, Well being/ healthy lifestyles, International Grants Programme,</p> | <p>New fund to run from 2006-2009.</p> <p>New programmes to be launched at different times from aut. 2005</p> |

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| | <p>Fax. 020 7211 1750</p> <p>Big Advice Line 0845 4 10 20 30</p> <p>http://www.biglotteryfund.org.uk/</p> | <p>budget over 3 yrs</p> | <p><u>Area:</u> UK</p> | | <p>People’s Millions (closed until spring 06) - making the local environment cleaner, greener, safer.</p> <p>Living Landmarks - social & community projects, major infrastructure.</p> <p>Community Learning - Community libraries & family learning.</p> <p>Young People’s Fund Advice Services - to be launched by June 06. Research (£25m) - on issues identified by the Voluntary & Community Sector (VCS).</p> | <p>- Spring 2006.</p> <p>Scotland, Wales & N. Ireland programmes to be announced later in 2005</p> |
| <p>BOC Foundation for the Environment</p> | <p>British Oxygen Company</p> <p>BOC environment grants</p> <p>The BOC Group Chertsey Road Windlesham Surrey GU20 6HJ</p> <p>Web: http://www.boc.com/foundation/index.asp</p> | <p><u>Intervention rate:</u> 30-60% of project costs</p> <p><u>Range:</u> £25,000 - £75,000</p> <p>Partnerships with other sponsors encouraged</p> <p><u>Type:</u> private sector (from BOC’s pre-tax profits)</p> | <p>No criteria re. eligible applicants but encourages partnerships with Environment Agency, Government departments, NGOs, local authorities as well as other award making bodies.</p> <p><u>Area:</u> UK</p> | <p>Research</p> <p>Implementation of solutions identified by research</p> | <p>For projects that improve air and water quality. Novel technologies or methods to reduce the volume and effects of unwanted discharges to air or water caused by current or past industrial or commercial practices.</p> <p>Air quality strand will focus on: road transport issues, site specific issues relevant to major customers of BOC, and the development and management of issues pertinent to the hydrogen economy.</p> <p>Community based projects in proximity to BOC’s major sites are also considered. The ultimate beneficiary of BOC awards must be the wider community.</p> | <p>Fund established in 1990</p> <p><u>Duration:</u> Projects lasting for up to 3yrs</p> |

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| <p>Charles Hayward Foundation</p> | <p>Charles Hayward Foundation Tel. 020-7370-7063 or 020-7370-7067.</p> <p>Web: http://www.charleshaywardfoundation.org.uk/</p> | <p><u>Range:</u> £1000 - £20,000</p> <p>Grants paid on evidence of expenditure</p> | <p>UK registered charities and charitable organisations</p> <p>Will <u>Not</u> fund 'community sector development & support organisations'</p> <p><u>Area:</u> UK</p> | <p>Predominantly funds capital costs</p> <p>Also start up & development activities</p> <p>Will <u>Not</u> fund: Replacement of government or lottery funding or activities primarily the responsibility of central or local government or some other responsible body.</p> | <p>Funds developmental or innovative projects. Relevant funding areas include:</p> <p><u>Community Facilities</u> - capital costs of community centres, village halls & community facilities provided by churches/ faith groups.</p> <p>Older People - includes advice and help lines and home maintenance schemes. May also consider projects outside their main areas of interest when such projects develop novel interventions into society's ills or address causes which are rare or unpopular. Publicity not required.</p> | <p>Trustees meet 4 times a yr to consider applications</p> <p><u>Process:</u> No application form - apply in writing</p> <p>Grants must be taken up within 12 months of approval</p> <p>1 in 20 success rate</p> <p><u>Duration:</u> up to 3yrs support</p> |
| <p>Community Action 2020</p> | <p>Defra,Sustainable Development Unit, 9, Millbank, c/o Nobel House, 17 Smith Sq., London SW1P 3JR</p> <p>(0)20 7238 5811 www.sustainable-development.gov.uk/delivery/global-local/community.htm#Community</p> | | | | <p>A specific programme of work with the VCS, which will help take forward the <i>'Together We Can Secure the Future' initiative</i>. The SDU does not award funding, but the CA2020 programme includes: <i>Engaging different communities</i> - support for projects that engage different communities on sustainable development. Also the <i>Safer and Stronger Communities Fund</i> (to be launched 2006) will provide core funding to Community Empowerment Networks to coordinate, on behalf of all partners, the LSP's community empowerment activities. These networks will have access to Community Action 2020 'Together We Can' Mentors.</p> | <p>New</p> <p>During 2005 the Govt. has been working with stakeholders to improve support for communities on sustainable development.</p> |

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| <p>Environmental Action Fund</p> | <p>Defra Tel. 020 7082 8680 Website: http://www.Defra.gov.uk/environment/eaf/</p> | <p><u>Range:</u> £25,000 to £250,000 per year (£75,000 - £750,000 over 3 years) Type: public sector 50% match funding required from non public sources, in-kind accepted</p> | <p>Not for profit Community groups Voluntary groups Charities. <i>Area:</i> England</p> | <p>Staff Costs Overheads Consumables Travel Subsistence Events Equipment (incl. I.T.)</p> | <p>Supports work to further the Government's sustainable development objectives. Theme for the last round was sustainable consumption & production</p> | <p>2005-2008 resources have been allocated - contact Defra to register for information on possible future grant rounds. The scheme is very competitive. <i>Timing:</i> Last call was in Aug 2004, with outcome announced Jan 2005, project start Apr 2005</p> |
| <p>Esmee Fairbairn Foundation</p> <p>One of the largest independent grantmaking foundations in the UK</p> | <p>Esmee Fairbairn Foundation 11 Park Place, London SW1A 1LP Advise telephoning to discuss project eligibility first. Tel. Environment Grants - 020 7297 4700 Email:</p> | <p><u>Range:</u> £350 - £375,000 in 2002. Only a small number of grants are made over £100,000. Average grant £44,000 Loans for charitable purposes also available.</p> | <p>Registered charity group or properly constituted groups with a charitable purpose. For organisations that aim to improve the quality of life for people & communities in the UK, now & in the future. Not likely to support: Large national charities - Local organisations which are part of a</p> | <p>Funds: Core costs (salaries, overheads) Project costs <u>Unlikely</u> to fund: capital costs Conference, seminars, websites, publications. Information & advice services.</p> | <p>Most relevant strand - <i>Environment Programme:</i> Low carbon economy - a reduction in carbon emissions, together with well-planned, sustainable urban and rural developments. Priorities: Sustainable transport: especially work at a strategic level, more rapid adoption, on a nationwide basis, of renewable energy, and energy efficiency, greenhouse gas reductions, through policy change, treaties and law the role of the investment sector in influencing the environmental</p> | <p>Deadline: Grants up to £10k ongoing - no deadlines. Grants up to £100k quarterly, over £100k full board to assess. Acknowledged within 1 week to confirm project eligibility & priority.</p> |

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| | <p>info@esmeefairbairn.org.uk</p> <p>www.esmeefairbairn.org.uk</p> | | <p>wider network (e.g. Age Concern/ CAB) - schools - colleges - youth clubs</p> | <p>Community transport.</p> | <p>performance of businesses.</p> <p><i>Very unlikely to fund:</i> Individual energy efficiency or waste reduction schemes related to one area or building. Work that is routine, low impact or well proven elsewhere. Applications where the proposed benefits are predominantly local. Work that is the responsibility of Govt. or LA's.</p> <p>The Social Change programme aims to improve the lives of people & communities facing disadvantage. Activities funded include:</p> <p>Work which enables voluntary & community groups to achieve some level of sustainability (e.g. trading activities, earned income). Social enterprises.</p> <p>Annual reporting</p> | <p>Under £20K decisions within 2 months.</p> <p>Over £20K decisions within 5 months.</p> <p><u>Process:</u> Over £100K telephone first.</p> <p><u>Proposals:</u> Under £20K - 6 sides of A4, Over £20K - 10 sides of A4.</p> <p><u>Duration:</u> 1 - 3 year projects.</p> |
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| <p>Garfield Weston Foundation</p> | <p>Garfield Weston Foundation The Administrator Garfield Weston Foundation Weston Centre 10 Grosvenor Street London W1K 4QY T. 020 7399 6565 http://www.garfieldweston.org/</p> | <p>Range: No limit on grant size - ranges from small grants of £5000 to very large ones of £250k Type: private sector Single payment made Will not release funding in advance</p> | <p>UK registered charities (except animal welfare ones) Churches Hospitals Education establishments Housing corporations Area: UK</p> | <p>No criteria other than: Will support general running costs, but salaries less likely. Has funded capital and revenue activities</p> | <p>Funding for a wide range of charitable activity. <u>Categories:</u> <i>Community, Education, Welfare, Medical, Social, Religion, Youth and Environment.</i> The proportion of grant to be spent on charitable activities is compared with admin/ fundraising element. Type of projects previously funded include: Modernising a community centre - Equipment - Exhibition space - Club start up - land purchase - building purchase - research - competition sponsorship. The Foundation does not appear to have funded any energy related projects yet.</p> | <p>Operative since 1958 No deadlines Applications processed within 3 - 4 months <u>Process:</u> On-line application form, apply in writing Trustees screen applications & may request further info./ visit</p> |
| <p>Landfill Tax Credit Scheme</p> | <p>ENTRUST Web. http://www.ltc.s.org.uk/ A register of landfill operators is maintained by HM Revenue & Customs at http://www.hmrc.gov.uk</p> | <p>10% match funding required.</p> | <p>Schools, community groups or charities.</p> | | <p>Projects must fit 1 of the following: Land reclamation Reducing or preventing <i>land</i> pollution provide or maintain public amenities or parks within 10 miles of a landfill site projects to restore or repair buildings for religious worship, or of architectural or historical interest within 10 miles of a landfill site Previous projects funded included: energy from waste (biomass), domestic energy conservation, alternative energy demo building, energy efficiency improvements & RE in village halls. Entrust now advises that energy projects are unlikely to be eligible.</p> | <p>Scheme introduced Oct 1996 The waste minimisation & recycling strand was removed in 2003 - this was the nearest relevant strand for energy projects.</p> |

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| <p>Lloyds-TSB Foundation for England & Wales</p> | <p>Lloyds -TSB PO Box 46156 3rd Floor 4 St. Dunstan's Hill London EC3R 8UL Tel: 0870 411 1223</p> <p>Email: guidelines@lloydsfoundation.org.uk</p> <p>List of regional contacts on the website</p> <p>http://www.lloydsfoundation.org.uk/apply.html</p> | <p>Range: No minimum grant</p> <p>Average range £5800 - £15,100</p> <p>Grants released up front - usually 1 payment.</p> | <p>Registered grassroots charities</p> <p>Does not fund individuals or profit-making companies unless on behalf of a charity or trust.</p> <p>The Trustees' policy is to support underfunded charities so people, especially disadvantaged or disabled people, can play a fuller role in the community.</p> <p>Area: England & Wales</p> | <p>Includes:</p> <p>Core funding - incl. salary costs</p> <p>Advice services</p> <p>Activities</p> <p>Community Centres</p> <p>Training</p> <p>Promotes capacity building, and strategic and collaborative working within the voluntary sector.</p> | <p>Makes donations and help in kind to educational, environmental, arts, employment, health and social welfare projects.</p> <p>Check with regional teams for the priorities in a particular region.</p> <p>2005 Programmes:</p> <ol style="list-style-type: none"> 1. Community programme - check regional priorities. 2. Collaborative programme - projects enhancing co-ordination, co-operation and collaboration between charities to improve the sector's effectiveness, and the evaluation of work undertaken. 3. New Initiatives - which demonstrate innovation, and where there is a clear intention to extend successfully piloted projects across England and Wales as a whole. | <p>No deadlines</p> <p>Process: Call to discuss first before completing application form. Postal applications only accepted</p> <p>Decisions up to 3 months.</p> <p>1-2yr projects</p> <p>From 2006 new thematic programmes will be launched (Guidelines to be published Nov 2005)</p> <p>54% of applications successful</p> |
| <p>Environmental Education Centres</p> | <p>National Grid</p> <p>http://www.nationalgrid.com/</p> | | <p>Environmental organisations</p> <p>Local education authorities</p> | | <p>Environmental Education Centres on land owned by the company adjacent to substations - each centre is operated by a local partner</p> | <p>Contact National grid to discuss</p> |

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| <p>National Lottery</p> | <p>National Lottery</p> <p>T. 0845 4 10 20 30</p> <p>Wales - T. 01686 611700 N. Ireland - T. 028 9055 1455</p> <p>http://www.biglotteryfund.org.uk/programmes/updates/index.htm</p> | | | | <p>The following schemes have now closed:</p> <p>The UK-wide Strategic grants, Research grants and International programmes; The Medium and Large grants programmes in England; N. Ireland Big Lottery Voluntary & Community Fund; Scotland's Developing Communities programme; Wales' Voluntary & Community Sector large & medium grants.</p> | <p>To be replaced by the new Big Lottery scheme</p> <p>Awards for All, Living Landmarks & Young peoples' Fund are still open.</p> |
| <p>Sciencewise</p> <p>Funded by the Office of Science & Technology</p> | <p>DTI</p> <p>Helpline - 0870 240 2943</p> <p>Website: http://www.sciencewise.org.uk/default.cfm</p> <p>Email: info@sciencewise.org.uk</p> | <p>50% of projects costing between £20k - £200k</p> | <p>Organisations</p> | <p>Consortiums must include at least 2 organisations that attended the 14 Dec 2005 workshop at the DTI Conference Centre</p> | <p>Projects that build the capacity of public, scientific community and policy makers to engage in dialogue about important science and technology issues.</p> <p>The grant scheme will focus on the following objectives:</p> <p>Identifying future issues that need to be debated now Building capacity in society to participate in dialogue Creating opportunities for dialogue and debate.</p> <p>The outputs of the projects are used to inform the policymaking processes used by government and other key organisations.</p> | <p>Launched Sept 04</p> <p>Did operate as a grant scheme but the next round will be commissioned projects.</p> <p>First call for proposals will be 14th Dec 2005 during a partnering event at the DTI Conference Centre in London.</p> <p>Deadline: 30 Jan 2006</p> |

Additional Funding Sources

In addition to considering the above funds, further opportunities have already been identified on the CAfE funding database: <http://www.est.org.uk/cafe/funding/funding/> . Some of these were examined in more depth as part of this study, but to avoid unnecessary duplication most were not considered again. Currently there are 37 funding opportunities identified by EST in this database that could support community groups to develop an energy project, although not all of these are available on a UK wide basis. The total list of funders includes:

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| Abbey Charitable Trust | Lloyds TSB Foundation |
| Age Concern Grants and Awards (England) | Local Network Fund for Children and Young People |
| B&Q Better Neighbour Grant Scheme | Neighbourhood Renewal Community Chests |
| Barclays Community Programme | Polden-Puckham Charitable Foundation |
| Boots Charitable Trust | Rural Initiatives Scotland |
| Calouste Gulbenkian Foundation | Scottish Community and Householder Renewables Initiative |
| Co-op Community Dividend | TSB Foundation |
| Cobb Charity | The Community Recycling and Economic Development (CRED) Programme |
| Community Champions Fund | The Henry Smith Charity (Small Grants Fund) |
| Community Foundation for Merseyside, Alliance & Leicester Fund | The Kelly Family Charitable Trust |
| DIY Community Action Training and Grant programme | The Lyndhurst Settlement |
| Esmée Fairbairn Foundation | The Nationwide Foundation |
| Forward Scotland - Small Grant Scheme | The Tudor Trust |
| Futurebuilders | The Wider Role Fund |
| Government Funding Schemes | The Woodroffe Benton Foundation |
| Green Energy Fund | Trust for London |
| Hanson Environmental Fund | Volunteering England |
| John Paul Getty Charitable Foundation | West Yorkshire Grants |
| Lankelly Foundation | |

APPENDIX 4: ANALYSIS OF FUND CLOSURE AND LESSONS LEARNT

This table is made up of responses to the questions issued, information from evaluation reports and application guidance we obtained and includes publicly accessible web-based information in the case of the SEED fund.

| Theme | Cornish Green Futures | Community Chest | Key Fund | Mid Wales Energy Agency- Energy for Sustainable Communities | SEED fund Social, Economic & Environmental Development |
|-------------------------------------|---|--|---|--|---|
| Reason for closing | People & Places Lottery money ran out | NRF related, finishes March 2006 | Match includes money running out in March 2006 | Expected to end December 2006 with spend finishing mid 2007 | planned closure by December 2004, actually closed mid 2003, due to high level of demand for total £15.3 million |
| Energy aspect in terms of reference | general environmental theme Facilitator 'maybe I steered groups to green space enhancement as that's what I know, and I don't know about energy efficiency, so I may have steered people away from that' | supporting community involvement in neighbourhood renewal | 5 objectives, 2 mention environmental/prudent use of resources, one mentions social enterprise set-up | Aim is to encourage & support community owned sustainable energy schemes | Explicit: one aim of 'promotion and implementation of energy efficiency projects' <i>promotion</i> , training for volunteers to provide info in own communities <i>biomass</i> , production of energy crops <i>training to install</i> , efficiency measures such as insulation |
| Community group focus | aimed at community groups, no need for constitution | for community & voluntary groups within target area | for constituted community groups and or parish/town councils | community, voluntary or public sector groups. focus on innovative schemes | community & voluntary groups and local authorities in formal partnerships with community groups |
| Processes | Mentor helps write form & also acts as gateway Follow up self-evaluation form given out at end of project - too late & not being returned | Facilitators help write form Copious easy to read guidance Evaluation done by fund grants officer and staff from local | Initial 1 page eligibility form Subsequent application form Evaluation done by in house team (within county council owned | Facilitator helps application process 4 days a week 1 application approved since fund opened | advice and guidance available from RSNC |

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| | Jan 2004 interim evaluation carried out by consultant | development trust and CEN | enterprise support company) | | |
| Place | 1 locally aware facilitator/mentor | local facilitators | local facilitators | local facilitation team | centrally administered by RSNC |
| People | Groups only Community groups led for all except 2 where more local authority 'steer' | Groups & individuals within groups | Groups/councils | All projects to be community owned, via groups, but can be targeted at individuals | wide range of partnerships funded and groups where main drive was from 1 or 2 individuals |
| Publicity | Relatively little publicity, mostly groups known to facilitator's organisation | Community development workers, networking meetings, newsletters, parish & district councils via LSP Community Empowerment Network | Local media: papers/radio/TV, county wide promotional events Open sessions for general public and training for facilitators On various websites & grant databases | Via all community councils Adverts & articles in papers Via Welsh Council for Voluntary Action. Managing demand by staggered publicity | via all Lottery outlets. Success shown by funds being distributed nearly 1 year before planned finish |
| Timespan | Start Jan 2002 applications finish Oct 2004 Took much longer than expected for projects to get off the ground | Start March 2002, expected finish March 2006 Money had to be spent within 6 months of award unless special dispensation given | Start March 2002, finish March 2006 Project to start within 3 months of receiving award & finish by March 2006 | Start June 2004 finish Dec 2006, final spend mid 2007 | start April 2001 final awards summer (main grants) & autumn (small, under £5,000) 2003, originally planned for February 2004, with spend by December 2004 |
| Demand/limitation | max 20 projects. Limitation facilitator's time Most applications got through | No info on success rates | Slow start as part of Objective One process seen as over bureaucratic & to be avoided by community groups From launch till end 2004 101 completed proposals 40 full applications 24 approved, 10 | Max 6 projects to be funded. Limitation facilitator's time. 1 project approved. 20 projects in pipeline | no info on success rate overall level of funding main limitation Up to £4,999 no match required £5,000-£50,000 20% match required; above £50,000 50% match required. Some volunteer time possible (nb <i>this may have put off small community groups from applying</i>) |

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| | | | rejected, 6 under appraisal | | |
| Feasibility study Focus | None | No | Huge demand 'we could have spent all £1.5 million on feasibility studies'. See separate note. Funded c. 11 feasibility studies | Feasibility studies explicitly fundable. Max 40%, max £7,000 for feasibility studies 1st project funded - community wind turbine, both feasibility and capital | no explicit mention. Some energy projects included both capital and revenue finding |
| Capacity building | c. 40% spent on training etc, but word never used in publicity. Health & safety/first aid training condition of grant | Parallel Community learning chest more targeted. No mention of capacity building in evaluation | Growing sophistication of community groups in accessing funding noticed over last 2-3 years. | Keen to target new groups, so facilitator building capacity from ground start | major focus on training |
| Energy efficiency projects funded | None 2 groups put in applications, for solar panels in halls. Neither happened. 'It all got too complicated. Group had to research it more. Costings were incorrect' | None 2% of 479 project for environmental projects. Praise for CEP community rep who advised on mainstreaming energy efficiency elements into several projects | None | Could be all | 518 projects supported, of which 35 were energy related Tended to be large consortium projects, including Countryside Agency involved one to build community capacity in rural energy projects-focus on renewables |
| Respondents' comments on energy efficiency issues, barriers & likely demand if facilitated | Noticed own bias for green space 'Community groups tend to be more focused on a specific project, such as one building or open space. They are not so strategic to consider major energy efficiency schemes for groups of houses' Need to encourage | Lack of knowledge of funding available; Lack of confidence; groups structurally unsound; energy efficiency products extremely expensive | Suggest using examples to show people what's possible Feels people have a lack of understanding of what is actually meant by energy efficiency & the long term benefits. 'To be honest, I wouldn't know where to refer someone who | It's not made easy enough. Need to be door to door, knocking, personal information. The whole routine done for them Promotion & helping hand needed. Need more flexibility in funding - don't know of a street where everyone | No differentiation made by RSNC's response between renewables and energy efficiency. Evaluations suggest: more use of IT for on-line applications etc; lack of interest from plumbers for being trained in installation of energy efficiency systems; Hazrat Soltan Trust in Birmingham |

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| | <p>people to think they need it. Need to encourage them to think it's easy to do Need green champion If focused in deprived areas, people live from day to day, don't look long term' Notice slight change, in community consultations people say they want energy efficiency in community buildings</p> | | <p>was just looking at energy efficiency. Whilst we encourage all projects to take energy efficiency into account, we wouldn't necessarily fund an energy efficiency project outright. Need easier access to examples community groups could relate to, so as to encourage realistic applications for EE projects</p> | <p>wants to fit insulation in lofts, so can't use EU funding as individuals would benefit. Depends on how long you can promote a project and how well the community trusts you</p> | <p>training 500 householders in energy efficiency & security, including 50 women; significant problems with inflexibility of Warm Front - no partnership possible, despite community being owner occupiers & eligible; value of/need for community development workers being trained in energy and energy workers being trained in community development highlighted; risk of too much innovation - Liverpool Energywise aimed to install insulation made from glass fibre from glass collected in locality. One partner failed, so no glass fibre. Result almost no energy efficiency.</p> |
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Questions asked of closed funds:

1. What were your terms of reference & did you highlight energy efficiency?
2. How much money was available in total, to whom and in what size of grant/loan amount?
3. When did fund start, how long did you expect it to last? (*did it close early, reasons for closure*)
4. Was it renewed, did terms of reference change?
5. What number/range of projects were funded?
6. Did you fund both capital and revenue?
7. Did fund provide any other support/capacity building etc? (*what reporting were recipients of funds required to do*)
8. How many grants went to community groups?
9. How many energy related projects did you fund?
10. How many energy efficiency-related projects did you fund?
11. How did you publicise the fund?
12. In your experience, what methods can best be used to promote energy efficiency?
13. What in your view are the gaps in support?
14. What in your view are the main barriers to community groups accessing funding for energy efficiency projects?
15. What single thing do you think could have made your funding program attract more realistic applications from community groups to do energy efficiency projects?
16. Can I have a copy of application form/instructions to applicants and any evaluation reports that are available?

APPENDIX 5: ANALYSIS OF DIFFERENCES BETWEEN UK COUNTRIES

An examination of the differences between the countries that make up the UK was carried out, in terms of existing funding programmes and any issues that a new small grant fund would need to consider in order to work effectively. Desk research and telephone interviews with key contacts in each of the countries were used.

We did not carry out interviews in England as it was felt that we had a sufficient knowledge of this country. To identify the most suitable people to speak to in the other countries we spoke to each of the EST regional offices. This provided an initial contact list and we then asked the interviewees the same question.

It was possible to complete most of the interviews over the phone allowing for clarification of some of the issues we were trying to pull out, and an opportunity to probe a bit further into some of the answers given.

In addition, we spoke to some funders that already run UK wide programmes to see if they found any differences with the way a national fund needs to operate to be effective. These included:

- Esmee Fairbairn Foundation;
- Polden Puckham Charitable Trust;
- Nationwide Foundation;
- Abbey Charitable Trust;
- Kelly Family Trust

Northern Ireland interview summary

| Question | Interview 1 | Interview 2 | Interview 3 | Interview 4 |
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| <p>Do you find any problems with existing energy funding programmes that operated across the UK?</p> | <p>Aware that many community groups find it difficult to access these funds. The complexity of the application process can often put a group off applying.</p> | <p>Not really. Been successful at a number of national funds. Generally no problems</p> | <p>Clear Skies grants regionally allocated with competitive bidding. This meant a lot of good projects in NI in the final rounds didn't get through because other areas of the UK were under represented.</p> | <p>1) One size doesn't fit all - NI smaller than other countries and schemes often not developed to take this into account. 2) Competitive nature of schemes that don't allocated budgets by region can mean NI ends up with much less investment 3) some historical baggage leading to resistance in NI about having to apply to London for grants that are for use in NI. 4) Also find that application and evaluation procedures can be very cumbersome</p> |
| <p>Are you aware of any disadvantages for funding opportunities for energy projects in your region compared to the other regions?</p> | <p>Some costs can be higher in NI - e.g. insulation costs higher than other areas of the UK so set grants that operate across the UK don't go as far in NI.</p> | <p>Biggest disadvantage is EEC funding isn't available in NI. The amount of funding available in the equivalent programme is smaller and ring fenced for the fuel poor and therefore difficult to get funds for some schemes e.g. private sector schemes. Also find that if we can bring other funding to the table for a project it is very difficult to get match funds.</p> | <p>Not really. In some ways may be better. A lot more localised. They had a green energy funded targeted at community groups. Found groups often didn't follow things through - one off projects.</p> | <p>Some of the above apply: 1) people put off put of process 2) schemes not as relevant to the size, nature, scale or way things are done in NI. Beyond these no real disadvantages</p> |

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| <p>Are you aware of any current advantages in funding opportunities for energy projects in your region compared to the other regions?</p> | <p>Good community group infrastructure in NI with experience of applying for funds. Also a lot of support organisations that help groups apply for money.</p> | <p>No particular advantages. Had access to EU funding in the past.</p> | <p>NIE provide some top funding for groups which is offered fairly flexibly. Also considering setting up a community renewables fund to help put more funding in place. NIE part-funded 3 community energy advisors based in the energy agencies in NI who support community groups - better than funding groups directly as they tend to do a one off project and that's it - long term funding/interest issue. The advisors have been able to support groups that NIE have funded for energy work.</p> | <p>Several. 1) Government commitment and investment in recent years. 2) Creation of Action Renewables funded to spread the word about renewables and encourage people to apply to existing funds 3) ability to offer additional funding packages into the existing programmes via regulations on NIE (Levy, Clear Skies Plus & SMART 1 for big renewables, minimum buy back of 3 p per unit) 4) planning policy in NI simpler. These things coincide to ensure that you can actually get the highest level of support of anywhere in the UK for an approved project.</p> |
| <p>Do you think a new small grants fund would be beneficial in your region?</p> | <p>Yes, but would need to work with existing funding opportunities. Think it would be advantageous to have a pot just for community groups.</p> | <p>Yes would be helpful, particularly for supporting community led schemes taking a community approach.</p> | <p>Yes if dedicated just to communities. Not necessarily on a competitive bidding process - i.e. could just have a set amount and once the funds run out it has run out. Could also consider set grants e.g. if you are planning a community wind turbine or a solar panel you can apply for x amount of funding and if you meet the criteria you get it. This would make people invest time in applying.</p> | <p>Yes, huge pent up demand for renewables in NI from investment in good PR and advertising. There is a change in perception due to price rises and reliance on imported fuels.</p> |

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| <p>What size of fund do you think would be useful?</p> | <p>Can't really say, because it will depend on the project. Maybe steer clear of putting upper limit at this stage.</p> | <p>Difficult to say without knowing the project idea. Often difficult to get money for management of schemes, so maybe a % should be put aside within the pot to allow for management. The same is true of evaluation, which is always difficult to fund, but is important.</p> | <p>Depends on type of project and also need to consider if it generates revenue for a group - e.g. wind turbine. Generally groups have little money so they need 100% funding, where-ever it comes from.</p> | <p>Enough to do the feasibility study for a scheme</p> |
| <p>Do you think it should offer funds for capital, revenue or both?</p> | <p>Some funding should be available for revenue, but capital funding is important. Maybe consider % of costs if for capital</p> | <p>Both. It might be worth following up schemes that have already received funding for renewable schemes under the solar PV and Clear Skies to encourage them to do the energy efficiency type work. It would offer a way to re-engage them in wider energy issues.</p> | <p>Definitely capital, particularly if clear skies replacement doesn't help communities.</p> | <p>Revenue may be better in NI to enable groups to carry out initial feasibility studies to help them make the idea a reality. This would enable them to get help to develop the scheme and apply for capital funding to make it happen. In NI if they had this basic information their Community Action Renewables Team could pick it up and fit it into grants that are available. However, if new programmes doesn't happen there will be no point in getting groups interested and completing feasibility studies in there is then no capital available - likely to cause more problems and turn people off sustainable energy.</p> |

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| <p>Can you think of any issues for a new small grant fund for community groups in your region? (other than those mentioned in Q1)</p> | <p>Not really. May be need to take into account that fuel costs are higher in NI and there is a higher dependency on oil.</p> | <p>Cross community funding can be an issue, that some funds have tried to address, but probably difficult to consider within scope of this research.</p> | <p>No.</p> | <p>No</p> |
| <p>Other Comments</p> | <p>Would be good if the fund was administered locally or had a local contact.</p> | | <p>If new fund set up allow local flexibility - maybe have different priorities in each region. Could have overall UK framework but local flexibility - i.e. types of grants or technologies. Local assessment would also be very beneficial - could still have all admin centralised but have some local ownership and input in the regions.</p> | |
| | | | <p>If it is UK wide fund you stimulate interest and get lots of really good applications and they may not get through. Better if it is set up on basis if you meet all these criteria you will get through. To make it equitable allocate set funds on a regional basis so people know exactly where they stand.</p> | |

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| | | | Clear Skies coming to and end and proposed replacement the Carbon Buildings Programme not very geared to community groups. | |
| | | | Community groups struggle to provide any funding generally - they can't loan money for capital work. | |
| | | | NEI run ee work with community and they find no matter how much you train them, it still remains a very small part of their job, unless they have a person responsible for energy there. They are generally just looking for money to survive without taking on things on the margins of what they do or are interested in. | |
| | | | NIE would be happy to work with any new fund in NI to make things happen. | |

Scotland interview summary

| Question | Interview 1 | Interview 2 | Interview 3 | Interview 4 | Interview 5 |
|--|---|---|--|---|---|
| Do you find any problems with existing energy funding programmes that operated across the UK? | No. Most schemes are well set up with established contacts and good referral mechanisms in place. | Limited pots available and often local or regional differences are not taken into account. Competitive tendering counter productive as funder often tries to get lots of applications resulting in over-subscription. You can often spend time tweaking the project to make it fit the criteria. This raises issues for the funds purpose or criteria because you have to consider if the money is really being used for what it was originally intended for. | Not particularly. | No particular issues, but example of Community Energy Programme given as a scheme that smaller housing associations or larger ones working with smaller groups of houses found difficult in terms of proving Carbon Savings - i.e. complex inflexible system. | The HICEC administers the SCHRI and HICEC grant funding in the Highlands and Islands and has been very effective at developing community renewable energy projects via giving communities access to relatively small amounts of grant aid. One of the problems is getting match funding for our projects or funding for energy efficiency measures. |
| Are you aware of any disadvantages for funding opportunities for energy projects in your region compared to the other regions? | Warm Homes, families can access this in the equivalent programmes in other areas. The eligibility for some grants can be quite restricted - e.g. those in fuel poverty who are just above the income level to be eligible, often these people are at risk. Sometimes clearing fuel debt is the key. | No, got it better than some areas of the UK. Energy Efficiency is a devolved responsibility so there is more control over it. | Can't think of any real disadvantages. | None particularly | The only disadvantage is that there is not enough money to go round and would like more. |

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| <p>Are you aware of any current advantages in funding opportunities for energy projects in your region compared to the other regions?</p> | <p>Generally some good advantages such as grants towards the capital installation of renewables through the SHCRI. Scottish Exec. Central Heating Scheme is quite flexible. Forward Scotland supports community groups. There are also good working relationships because political process is simpler. All the local authorities are unitary with the same remits such as planning, social, housing etc.</p> | <p>Better than other areas, more funding streams and probably more advantages</p> | <p>Have SHCRI targeting community renewables which is a big benefit. Massive potential for community renewables in Scotland as lots of interest has been generated. SHCRI near point of all funds being committed so interest and demand has grown.</p> | <p>SCHRI seems a more flexible and beneficial scheme compared to other areas. Also advantage in terms of how people think, there is a desire in for renewables because of size of resource and people generally seem more awareness of Climate Change because cold or warm winters are noticed, as relatively warm summers, just because of the nature of the climate in Scotland.</p> | <p>The main advantage is we have active communities keen to develop projects along side an easily accessible funding stream set up by Highlands and Islands Community Energy Company.</p> |
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| <p>Do you think a new small grants fund would be beneficial in your region?</p> | <p>Definitely would be, but needs to be flexible. Shouldn't be based on carbon savings as to restrictive for community groups. It may be more beneficial if the funding was available through a local organisation e.g. gateway business programme, where you have a range of people you can call on to do specific pieces of work. That central body could have a pool of people to support energy projects.</p> | <p>Yes if the above issues taken into account. Managed properly, make it simple etc. Be good if support offered all the way, i.e. groups could save a lot of time if initial ideas could be discussed before time is spent on an application - e.g. a group could ring up with an idea and the fund holder could say what they think and feedback could then be given such as its OK, or you should consider x,y,z or include this etc.</p> | <p>Yes.</p> | <p>Yes</p> | <p>I think it would lead to confusion with SCHRI and HICEC but we would be happy to administer any additional funding that was made available.</p> |
| <p>What size of fund do you think would be useful?</p> | <p>£4-5k would make a difference (maybe need £500 a day for a good consultant). Also looking at things like travelling costs, organising child care etc - can be quite 'soft' things.</p> | <p>Obviously depends on what they want to do e.g. insulate a small hall, put a renewable project in - difficult to quantify. Suggested £2-5k maximum - money would go further and ideas could be developed with that in mind.</p> | <p>Could look at SCHRI as a benchmark in terms of thinking about how much should be available.</p> | <p>To far removed from this sector to know, but suspect massive amounts of money wouldn't be need to make a difference.</p> | <p>We currently spend £0.75m a year with 20% on capacity building and feasibility studies. We have a fund of £0.25m through HICEC for larger scale revenue earning community projects. So if we could double this fund we would find it very useful.</p> |

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| <p>Do you think it should offer funds for capital, revenue or both?</p> | <p>Both. But err on revenue side, capital funding quite straight forward in comparison.</p> | <p>The broader the better, so offer both, unless there is clear evidence you shouldn't try and second guess what might be needed. If the project itself has merit the project should be supported. This will give it more chance to make a difference.</p> | <p>Both would be good, perhaps the non-capital side would make more sense in terms of building capacity, but will then need capital funds to enable groups to realise their ideas.</p> | <p>Both</p> | <p>Funding should be available for both, no point in leading a community up a path if you cannot fund the outcome of any feasibility study. SCHRI offers capital funding. HICEC offers feasibility and money for equity ownership in schemes taken forward by the community. Demand for both of these exceeds supply so we would welcome additional funds.</p> |
| <p>Can you think of any issues for a new small grant fund for community groups in your region? (other than those mentioned in Q1)</p> | <p>Should take into account the rural nature of Scotland e.g. travel costs much higher, groups much smaller, difficult to put numbers on it.</p> | <p>Nothing obvious.</p> | <p>Demand for community renewables has increased dramatically in Scotland. SCHRI's fund are nearing the point of being fully committed - so large demand there. Would probably need to think about competitive funding rounds and restricting technologies if capital is offered.</p> | <p>Scotland has a high proportion of off gas houses with solid walls - i.e. hard to treat homes. It may be worth considering approaches to consider this. Also fuel prices in Scotland higher than other areas, both in terms of per unit cost, and also because people need to use more to achieve same level of comfort.</p> | <p>Keen for more money to come into the community energy scene. Currently manage the SCHRI and HICEC funds and communities have been very effective at accessing these funds to achieve a number of outcomes. We would not like the scene to be confused with another grant provider in the area. Found that many have problem with finding funding for energy efficiency projects.</p> |

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| <p>Other Comments</p> | <p>Felt that often, if a group wasn't really clear about they wanted to do, the work could often be led by the consultant rather than the group. If grants available they should be based on the community worker basis to help group clarify what their aims and objectives are and where they see themselves in 5 or 10 yrs etc. Not short term initiatives 1yr or 2yrs not really an answer - sets them up to fail.</p> | <p>Climate an issue in Scotland.</p> | <p>Be interesting to see what comes out of DTI's micro generation strategy in terms of the technologies that will be supported.</p> | | |
| | <p>Diversification issue - i.e. a new fund could end up with lots of applications from groups that have already done things, with them just coming in at a new angle to get the money. Maybe better targeted at fairly new embryonic organisations, they need the help.</p> | | <p>Would be good to be consulted on any new scheme if it does go ahead.</p> | | |

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| | Need to consider measurable outcomes to judge value for money, e.g. what the value of having that project in an area would bring. | | | | |
| | Ensure eligibility, simple application, guidelines on what funding for, match funding guidance. | | | | |

Wales interview summary

| Question | Interview 1 | Interview 2 | Interview 3 | Interview 4 | Interview 5 |
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| Do you find any problems with existing energy funding programmes that operated across the UK? | Community Energy programme had mixed success in Wales, community organisations as such are not eligible. Clear Skies and the PV programme are about to end, but the composition of the Low Carbon Buildings Programme is still unknown. Therefore the level of future support for renewables available to community groups in future is unknown at this stage. Community Groups fall into a 'gap' between advice initiatives for business and domestic measures/savings focused programmes. | Experience based around Clean Skies, EEC etc and was not aware of any specific holes or gaps in existing programmes. | Wales not particularly disadvantaged in terms of large national funding programmes, unless they have criteria around population density. Can apply in the same way as everybody else. Sometimes find problems with DEfS and DTI funds where they say something has been devolved, but when they go to the Assembly they know nothing about it. Welsh Version of lottery fund's latest programmes hasn't got a massive environmental or climate change fund. | Yes - not enough and can be very inflexible which means you spend a lot time trying to make a project fit into the funding criteria | Main problem can be the application procedures - difficult to apply. Also can be confusing for groups to find out about which programme is most suitable. |

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| <p>Are you aware of any disadvantages for funding opportunities for energy projects in your region compared to the other regions?</p> | <p>Although there is an active network of organisations supporting energy initiatives in Wales across the various sectors the partners are not always well co-ordinated, and are not fully resourced to cover the range of advice/funding all audiences may wish to access (esp community groups). Any grant fund must make full use of this network.</p> | <p>Perhaps an example of a programme that didn't enable organisations in Wales to participate in same way as England was Community Energy. This was a UK wide programme but there were regional decisions about how it could operate in Wales in terms of the type of projects and support that was available, this limited the opportunities to apply in Wales.</p> | <p>Biggest issue in Wales compared to other areas is there is no central support for CRI.</p> | <p>Never had CRI funding in Wales. Community Energy Programme may no longer cater for Wales. Feeling that some Defra funds seem much better and more available in England than Wales.</p> | <p>Often the funds that are available in other regions that cannot be accessed in Wales. E.g. some DTI schemes, transport energy. Scotland also seems to have some advantages.</p> |
| <p>Are you aware of any current advantages in funding opportunities for energy projects in your region compared to the other regions?</p> | <p>Wales have a national policy framework which a Wales fund could support. The Assembly Government has a strong focus on community regeneration e.g. through the Communities First programme. Most of Wales is still either an Objective 1 or Objective 2 area - although these funds can still be difficult to successfully gain funding for.</p> | <p>Have been in past - e.g. way home energy efficiency scheme set up in Wales had advantages over equivalent in England. But policy tends to catch on. They had more flexible range of assistance - this an example of where the Assembly had a devolved responsibility so was able to set up a scheme that met the need of Wales. Where Assembly has a responsibility there is a chance to create something that is better suited.</p> | <p>Several EU Objective 1 areas in Wales (although difficult fund to access). Sustainable Development Fund - from the Assembly and supports work in national park areas (not Wales wide) - funding for projects that are sustainable and benefit residents of national park areas. Countryside Council of Wales got various pots that they support communities with environmental projects.</p> | <p>Not in terms of the funds available. However, mid and low level organisations communicate a lot and have more formal working relationships. Welsh Assembly also probably more accessible in terms of speaking to ministers, compared to England.</p> | <p>Good communication and networks in Wales, so relatively easy to find out who is doing or running what.</p> |

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| <p>Do you think a new small grants fund would be beneficial in your region?</p> | <p>Difficult to say given the amount of information provided on the type of 'energy related' projects supported and the outputs which might be expected.</p> | <p>Would have a value. If possible it would be most effective if it fitted into the Assembly's energy policy e.g. the Assembly has its own targets for renewables.</p> | <p>Yes, often looking for financial support to get projects off the ground because of a lack of resource at the feasibility stage. The process of getting the bigger money is also a problem and support for this would be helpful. Simply capacity building not enough, groups need financial assistance with the risky part - a new fund could ensure of momentum of a community group to get project off a ground. Wind example given where they can do a 6 month study and if it's a good site can then apply for the bigger funds.</p> | <p>Yes. It would be valuable if funds like this can be accessed through local organisations.</p> | <p>Yes, there are probably lots of community schemes that could access this type of funding in Wales.</p> |
| <p>What size of fund do you think would be useful?</p> | <p>It is difficult to comment on size of fund unless it is a little more clear the types/sizes/numbers of projects or groups which might be funded.</p> | <p>Couldn't say as too far removed from community based work.</p> | <p>Up to £5k would help, but still got to raise the rest - they could struggle. £10k would be better as it would cover feasibility costs and consultancy fees to assist with this.</p> | <p>100% funding would be great, if it has to match funding not lower than 40%. Could stage the amount of funding depending on the type of project: i.e. 3 stages 1-consultation & development 2-feasibility & consultancy 3-implementation. Could have - £hundreds for first stage, £hundreds to 2k for second and up to</p> | <p>It would depend on the type of project.</p> |

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| | | | | for £5k for implementation | |
| Do you think it should offer funds for capital, revenue or both? | <p>The introduction describes this research as specifically excluding capital funding. There may be a case for capital funding where the revenue funding (feasibility studies, capacity building etc) creates an expectation which cannot be met elsewhere to transform this into carbon savings. Carbon savings from capacity building alone may not be measurable - and it can be difficult to gain support from government unless savings and specific actions can be demonstrated/reported. Whilst it is still unclear what will replace Clear Skies for community groups we do not know if these expectations can be met. Many community groups (especially if they are charities) have access to specific types of funding (e.g. from Lotteries) not available to individual households/businesses or the public sector.</p> | <p>Need to avoid duplication, so consider what gaps there are in the existing funding market. Felt capital and revenue should be separated and that revenue was probably more appropriate to support development type work, because if government recognises that there is a need for capital type schemes they will tend to create them, whereas a new fund could enable capacity building and pointing them at where capital funding may be available.</p> | <p>Broadest range of spending would be good. Capital would help, but there are capital funds around when there is a good case for the technology. There are other areas that are difficult.</p> | <p>Capital and revenue would be useful</p> | <p>Both would be good. Perhaps two streams to support each area, with capital grants a bit bigger than revenue grants. Suggested that money is available for studies but it is more difficult to get the capital funding. Also mentioned that it is usually the case that when you have been successful at getting one grant others often follow, but getting that first one can be difficult.</p> |

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| <p>Can you think of any issues for a new small grant fund for community groups in your region? (other than those mentioned in Q1)</p> | <p>EST needs to define 'community groups', 'energy related projects' and consider how Wales is treated (as a 'region?') as none of these are clear from the questionnaire. This will better inform what the scope of this grants programme might be and inform partners of what might develop in future. Where would any grant fund for Wales come from (potential sources may be Government/Lottery/RDA)? How can EST assess potential demand and outputs to put the case to potential funders? Would EST need to approach different organisations to support each regional fund? Would each regional fund be managed separately? If so who by, and what implications might this have for continuity of delivery/type of projects across English regions/Scotland/NI/Wales?</p> | <p>Not specifically but requested that the Assembly given the chance to look at any proposals - would want an opportunity to input into a new scheme so they could spot or highlight any issues suitable for Wales.</p> | <p>Bilingual aspect would need to be taken into account - would double publication costs.</p> | <p>Need to take into account rural nature of Wales. Also need to consider bilingual issues</p> | <p>Very diverse range of communities - some very remote, so access can be an issue.</p> |
| <p>Other Comments</p> | <p>Perhaps as part of this research EST can gauge the existing/potential demand, partners/capacity and programmes available? This research could identify where any overlaps/gaps</p> | | <p>In Wales particularly have a bad publicity battle around wind.</p> | <p>Allow a good length of time for group to apply and do the work as community groups take longer</p> | |

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| | presently exist in each region/nation and prove (or disprove) the case for a new fund. | | | | |
| | EST should make contact with 'community organisations' to gauge the demand in Wales and English regions. Maybe CAfE could assist in this? | | | Be flexible in terms of type of group that can be apply | |
| | | | | Consider added benefit of having support to enable people to talk to other who have done it (CAfE already offers this) | |

APPENDIX 6: RESPONSES FROM COMMUNITY GROUP QUESTIONNAIRE

A community group questionnaire was developed and circulated to help shape our thinking around how a new fund could be developed. It was sent via email by the CAfE managing agent to 79 network members who had made an enquiry to the programme regarding funding. In addition, it was also given out at one of the CAfE ‘Making it Happen’ training sessions. Community Energy Plus also sent the questionnaire to community groups in Cornwall.

A total of 19 replies were received from the questionnaire produced, to investigate community sector thoughts on a new small grant fund. Of these, ten came from the CAfE training, seven were from the CEP mail out, and the remaining two were from people that had made an enquiry to CAfE about funding. The returned questionnaires included community groups (8), energy sector professionals (8) and other organisations (3).

| Organisation Name | Group aims | Q.1 What sort of funding would you like to see available to support community based energy projects? | Q. 2 Is there a community energy project you are currently seeking funding for? | Q. 3 How much money do you think should be available to any one group if a new small grant fund was set up? | Q. 4 Please tell us about the structure of your community group. | Q. 5 In your view, what would be the ideal format for a small grant fund for community energy projects? |
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| Summary of responses | | <ul style="list-style-type: none"> • Capital for insulation and other energy saving measures (12) • Capital for installation of renewables (9) • Community events/publicity/consultation/outreach (7) • Awareness raising (7) • Development of project ideas/feasibility | <ul style="list-style-type: none"> • No (8) • Insulation & oil-fired heating to over 60s and those on income based benefits • Insulation for homes with babies • Loft insulation • EE measures in community building | <ul style="list-style-type: none"> • Up to £5,000 (4) • up to £6,000 • £5,000 to £10,000 • up to £10,000 (5) • need up to £80,000 • £100,000 • 50 % of total costs | <ul style="list-style-type: none"> • Voluntary body with constitution • Registered charity (5) • Community Co-operative • Unincorporated community group | <ul style="list-style-type: none"> • Application by homeowners • Easy, straightforward (8) • Max of 4 pages • Simple reporting requirements • Electronic format • One lump sum for payments • Flexibility • 50% up front and 50% on completion of final report |

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| | | <ul style="list-style-type: none"> studies (5) Training (4) (Capital Funding (17)/ Revenue (17)) | <ul style="list-style-type: none"> Heating system for community building Boiler replacement Sustainable office development Low interest loans for insulation for those outside criteria of other programmes Solar lighting (2) Solar heating Solar & wind in schools and resource centres School wind turbine | <ul style="list-style-type: none"> (3) Could have fast track for amounts up to £500 | | <ul style="list-style-type: none"> Quick turn around for small sums Project report up to 6 months after funding spent Groups should talk through idea with funding rep first |
| Green Switch Climate Campaigns Ltd. (Cornwall Switch) | Promote awareness of climate change and actions that communities can take to mitigate its effects, specifically switching to renewably sourced energy tariffs. | Outreach, awareness raising and community events. LA planning fees (no match reqd.). Consultancy fees/ feasibility studies. Capital ee/Re measures - purchase & install. Metering costs. | No | Between £0-£5000. Max £500 - £1000 for feasibility studies. No minimum value. (see full response) | Community Co-op, constituted as a not-for-profit company limited by guarantee | 'favourably received' if have match funding. Capital installations to include promotion/ education activities. Eligibility: Non profit or charitable organisations and or organisations involved in education and or work at community level. Proof of planning permission/ feasibility. RE projects to include EE as well. Score for environmental, economic & social benefits. |

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| <p>Malpas and Trelander Community Projects, Truro, Cornwall</p> | <p>By providing funding for a Community Development Worker it aims to (brief outline): 1) work with residents on local estates on projects that promote community cohesion and empowerment (e.g. community events, after school activities for children, training courses etc) and 2) work with residents to identify key concerns they may have in relation to where they live and to use Residents Meetings as a forum for them to discuss these concerns with local agencies (e.g. Police, Housing etc).</p> | <p>1) funding for energy efficiency projects - e.g. solar lighting and 2) funding to raise awareness about energy efficiency with parents and children, through project work (i.e. not just usual training sessions)</p> | <p>Yes, the Trelander and St Clements Residents Group have just successfully applied for a £1,000 INCE grant from Carrick Housing to enable them to install a new light on the playing field. We are hoping we can make this a Solar light.</p> | <p>If it is a small grant fund, normally anything between £500 to £5,000. Ideally I think it should be around £2,000-3,000. You could have a faster turnaround for answers for applications that are for amounts under £500.</p> | <p>My post as Community Development Worker is managed by Truro City Council. The local residents group is aiming to become a constituted association by December 2005.</p> | <p>Ideally, a relatively short application form in an easy to read format, and definitely easy to understand by members of the community. So many times I see application forms and procedures that are meant to be for communities, but are actually incredibly complex.</p> |
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| Pendeen Parish Members Institute | To build and equip a multi-use community facility for Pendeen which enables the local delivery of training, social and recreational activities and uses renewable technology for future sustainability. | Awareness raising, match funding for Clear Skies or EST funds, promotion of projects to publicise support. | No | High enough to make a project viable | Registered charity with a constitution | Keep process as simple as possible e.g. Community Chest applications and have a reasonable time scale process. |
| SureStart Pebbles | To improve a child's early life experiences by supporting their development, parental capacity and the quality of the environment in which they live. | Money to insulate a community building/ domestic properties, to develop a project idea, to fund a feasibility study, for community consultation, to install renewable energy measures to community/ domestic properties, for community events, awareness raising, training, outreach | Insulation for all homes with babies in Cornwall would be good. | Up to £10, 000 | Unincorporated community group | Simple application form with officer support, simple reporting and checking procedures. |
| The Sustainable Trust | Environmental:- Think Local Act Global. Current projects;- management of 40 Hectare woodland as educational resource (one of 3 nationwide exemplar BTCV | Help to install renewable energy measures to community/ domestic properties, for community events, training. | We are not actively seeking funding until next spring, then we would like to explore the possibility of building a custom made office with PVs, perfect insulation, solar gain-'in short a | Enough to provide all the energy needs for the most costly ingredients of the project described in 2. | registered charity | kept as simple as possible |

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| | <p>projects), for all children, but especially for disadvantaged, excluded & ADHD sufferers. Working towards setting up a coir processing factory to employ 70 impoverished, poorly educated tsunami victims living in temporary accommodation.</p> | | <p>model sustainable office'.</p> | | | |
| <p>West Cornwall Community Network</p> | <p>Supports and empowers communities to develop and sustain effective partnerships and regeneration; promoting and enabling their active participation with West Cornwall Together</p> | <p>Refurbishment and renovation for Village Halls</p> | <p>No</p> | <p>£50 - £5000</p> | <p>Registered Charity - Voluntary Organisation</p> | <p>Easy application, quick turn round, money up front, assessed by panel from Community and Voluntary Sector, project report within 6-8 months after funding received</p> |

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| <p>Community Development Worker (Kerrier) & Training Co-ordinator for Surestart Chy Carn</p> | <p>am in contact with many groups, several of whom are looking at renovation of premises. I also work with parents across rural Penwith.</p> | <p>Practical money which actually helps people to install energy efficient measures is the ultimate way of getting people to think about incorporating mechanisms into their renovation. This obviously also demands some awareness raising. However, raising awareness alone will not in the majority of cases make people undertake measures such as installing new, more efficient heating systems etc. For many of these groups money is tight and therefore, although many will welcome energy efficiency measures unless it also makes financial sense (which is where the awareness comes in), any changes will be minimal. However, small grants would have to be incorporated with awareness of how small amounts of money can make a difference. Those are probably the types of measures which can be transferred both into the home and within community buildings</p> | <p>I have 3 renovation type projects where I think some measures could be incorporated. The main problems which I'd welcome discussion on is how we can incorporate energy efficiency whilst still retaining the heritage. I realise that at the moment things can clash. 1) Helston Community Centre - you are already aware of this project and have done an energy efficiency audit which is very useful. There are several items in the plan and we have requested a meeting with Alec. 2) Helston town band building Blank canvass is the best way of describing this building. It is currently completely empty from the inside. They will need a heating system and would benefit from a lowered ceiling.</p> | <p>It depends whether it will be for capital elements or awareness raising. I think up to £5K follows other small grant levels. However, up to £10k would probably be more helpful to groups.</p> | <p>na</p> | <p>Easy application such as Community Chest style. If it is only hundreds rather than thousands then the Healthy Living SGS would be more suitable. Groups should be encouraged to talk through projects with a CEP rep. Payment procedures should be quick but not retrospective. Applicants should be from a constituted group or at least a group with a set of rules to encourage correct planning. Perhaps some grants could go to individuals who are 'community champions' i.e. who will voluntarily spread the word and encourage energy efficiency. The individual grants would then go either back into their organisation for more energy work or go to help them 'spread the word'</p> |
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| | | | <p>However, this will definitely be part of a larger plan. 3) Coverack public toilets Looking to do up their loos and open them all year round. I haven't met with the group yet and I'm a bit unsure of who actually owns them. However, I know they want to incorporate a disabled facility. I was wondering whether any energy efficiency/environmental measures could be introduced e.g., grey water, photo wotsit tiles. Any thoughts appreciated</p> | | | |
| <p>Armagh & Dungannon Health Action Zone (NI)</p> | <p>Partnership organisation of local trust that aims to increase peoples health through community based projects</p> | <p>Replacement heating systems, insulation, energy saving initiatives</p> | <p>Rural initiative offering installation of cavity wall/roof insulation, oil-fired central heating to homeowners over 60 or on income related benefit</p> | <p>£100,000</p> | <p>na</p> | <p>Application by Homeowners</p> |
| <p>Armagh & Dungannon Health Action Zone (NI)</p> | <p>Partnership organisation of local trust that aims to increase</p> | <p>Community events & training, installation of ee measures</p> | <p>no</p> | <p>up to £10,000</p> | <p>na</p> | <p>Easy, straightforward application</p> |

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| | peoples health through community based projects | | | | | |
| CREATIVE MIND | arts and entertainment | Install renewables, develop project idea, community consultation, feasibility studies | wind-save plug in projects for Horwich Resource Centre & Brazley Centre; solar & wind for St George school | £1,000 for quick grants, events etc; up to £6,000 for more detailed studies | vol body with constitution | max of 2 to 4 pages application form with above measures, plus 6 month monitoring |
| ? | ? | install renewable measures for awareness raising measures to community/domestic | micro-wind turbine for a primary school; woodchip boiler for civic building | up to 50% (of total cost) | ? | a project that benefits the community, environment and supports the sustainability philosophy |
| Energywatch | watchdog providing advice and working on behalf of gas & electricity consumers | awareness raising in community, money towards insulating domestic homes | no | approx £10,000 | na | |
| Stockport MBC | LA - involved in HECA/District Heating/Schools | funding for feasibility studies & research into renewable projects e.g. schools | District heating CHP scheme, demonstration wind turbine in a school | £10,000 | na | On-line/electronic application form |

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| Can Do Plumbing Ltd | help their customers save money, help the environment via energy efficiency heating, advice and referrals | EE advice on domestic properties in the Nwst England; money for media support; lightbulbs, low cost CWI; discounted boilers & controls; referrals for warmfront; renewable energy technologies | ee advice/referral centre to aid domestic householders who are not entitled to warmfront but are in fuel poverty; availability of discounts; low interest loans for insulation | 5 to 10k | na | |
| Organodiesel Ltd | Making Biodiesel by recycling used cooking oil into fuel, thus reducing carbon | they need money to implement an existing technology i.e. capital & revenue cost to kick start a project | Organodiesel Ltd - community based biodiesel project | need £60 to £80k | na | simple and online application, payment in one lump sum |
| Notts/Derby EEAC | provide advice on ee in the home including available grants fro improving efficiency and installing renewables | feasibility studies, esp. for renewables & ee measures for community groups/buildings and local housing associations | no | | na | |
| Notts/Derby EEAC | EEAC - domestic energy advice & grant referral | renewables & training on benefits & uses; consultation and maintenance advice | no, but refer people to schemes available | 50% of costs | na | |

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| <p>Silloth Rugby Club</p> | <p>to retain attract and make people participate in sporting activities, we are a sporting community club, in the community for the community ,we are members of cascs a sporting charity, our club is open to the public 6 days a week , we have 1 senior rugby team and 1 development squad 14-17 old ,we also run a kids youth club ages 8-14 years old, our clubhouse and facilities are used by many groups in the town young and old all free of charge as we are a not for profit group, this year is our 125th anniversary,.</p> | <p>to insulate a community building , to replace broken boiler with one we can control at the flick of a switch maybe a combi boiler one that doesn't waste water and heat,. as our clubhouse and facilities are used by all of the community it would benefit all of the community and them which visit us also,.</p> | <p>possible replacing of boiler and possible solar heating, loft insulation also</p> | <p>£5000 five thousand pounds</p> | <p>we are a not for profit community amateur sporting club in the community for the community, we are a sporting charity registered with the inland revenue cascs we have trustees ,also our accounts are done by a professional,</p> | <p>site visit a must on receipt of annual accounts and needs the grant would be adjusted to the needs of the applicants</p> |
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| <p>CREATE</p> | <p>To promote sustainable energy to schools and communities.</p> | <p>Financial support is already available for innovative projects and installing energy saving and renewable energy measures. Any new community fund should be looking to fill the gaps. We suggest that communities would benefit most from consultative support, help with feasibility studies and applying for existing grants.</p> | <p>no</p> | <p>With respect to the suggestions above we would estimate grants should range from £500 - £1500.</p> | <p>CREATE is a registered charity</p> | <p>One of the biggest issues when applying for grants is the amount of time it takes to complete an application. An application for a small grant should take a minimal amount of time otherwise it is not worth the bother! The application process should be electronic and the payment procedure should be 50% up front and 50% on completion of project and production of final report. Report form should be provided for recipient, kept succinct and forwarded by email. Application criteria will depend on nature of grant fund, but we stress again that it should be clear and simple.</p> |
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APPENDIX 7: COMPANIES CONSIDERED AS POTENTIAL FUNDERS

A total of 30 companies were initially considered as possible funders for a new small grants fund. After further research this list was narrowed down to six potential funders.

| Company Name | Description | Relevant emphasis | Contact | Assessment |
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| Severn Trent | Water, waste management and environmental services across the UK | <p>Strong involvement in carbon management. In the Dow Jones Sustainability World Index 2005, Severn Trent ranked the world's 'most sustainable utility' for the fifth year in a row.</p> <p>Community affairs programme supports projects in the environmental arena and is in three parts: Environmental Education Built Environment Natural Environment</p> <p>Aims to invest financially, in kind and in time in our local communities in a way that makes a lasting impact, through careful selection of partner charities.</p> | <p>www.severntrent.co.uk</p> <p>Severn Trent plc 2297 Coventry Road Birmingham B26 3PU 0121 722 4000 groupcommunications@stplc.com</p> | Though a national company, regional origins might be problematic. No tradition of themed or long-term donations. |
| Abbey Group | Banking, insurance, investments, mortgages | Charitable Trust includes local regeneration projects which encourage cross community partnerships and networks. | <p>http://www.abbeynational.com/home/comm_inv/comm_inv-trust.htm</p> <p>Abbey Charitable Trust PO Box 911 Milton Keynes MK9 1AD 0870 608 0104 communitypartnership@abbey.com</p> | Limited to small figures (£2,500) beyond the urban centres in which the group has a major presence. |
| Kingfisher / B&Q | Home improvement | <p>Focus on sustainable supply chains and a more sustainable society. Donations to support research or charitable initiatives that have the potential to find or deliver contributions to sustainable development.</p> <p>Operates a Better Neighbour Grant Scheme, through which</p> | <p>www.kingfisher.co.uk/index.cfm?section=English&area=Environment_and_Society&content=Charity</p> <p>Ray Baker Social Responsibility</p> | Strong thematic overlap. Would require careful and subtle work to encourage funding of a national scheme. |

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| | | community groups apply to their local B&Q store for funding to support a local community project. | Kingfisher plc 3 Sheldon Square Paddington London W2 6PX sustainabilityenquiries@kingfisher.com | |
| HSBC | Banking | HSBC has just become the first major bank to go 'carbon neutral'. Giving is usually thematic rather than individual project-based. For example, current programmes include a three-year, £650,000 collaboration with Newcastle University and the University of East Anglia (UEA), 'HSBC Partnership in Environmental Innovation' - a global programme to research climate change and other major forms of environmental damage, society's awareness of the issues, and to develop technologies to overcome some of the problems identified. | www.hsbc.com/hsbc/about_hsbc/corporate-social-responsibility HSBC Holdings plc Group Corporate Affairs 8 Canada Square London E14 5HQ 020 7991 8888 | Very strong thematic overlap. Would require careful and subtle work to encourage funding of a national scheme. |
| BAA | Owns and manages seven of the largest UK airports | The BAA Communities Trust focuses its fund giving into three main areas: Supporting local community activity around our airports, Initiatives proposed by BAA staff; and international and national charities supporting overseas development. | www.baa.co.uk Corporate Responsibility Tel +44 (0)20 7932 6605 corporateresponsibility@baa.com caroline_nicholls@baa.com | A strong community assistance approach, and large emphasis on climate change. However, success would rely on convincing BAA to add community energy to its priorities. |
| Capita | Business services | Capita works with communities to contribute to social and environmental needs - either directly through the work they do, or through relationships with clients, such as local councils, helping them to achieve economic regeneration in their area. During 2004 they launched a new charity initiative to coordinate activities across the Group. An overall target of £1.5m was set to be achieved over the next three years to April 2007. This target is a combination of corporate and staff initiatives. Capita will report on our progress towards achieving this target. | www.capita.co.uk/Group/Sustainability/Social/OurCommunities.htm The Capita Group Plc. 71 Victoria Street, Westminster, London SW1H 0XA 020 7799 1525 | Considerable donor with a focus on themed programmes, and scope for community environmental projects. However, would require careful approach to see whether the fund could qualify as a suitable chosen charity. |

The original list of 30 companies considered included the following.

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| 3i | Capita | Henderson Global Investors | Legal and General Group | Standard Life Assurance Company |
| Amerscap | Dixons | Hoover | Philips | Tesco |
| ARM | Electrocomponents | HSBC | Sainsbury | Thames Water |
| BAA | Electrolux | ICI | Severn Trent | United Utilities |
| BOC | Friends Provident | Jupiter Asset Management | Skandia Group | Vodafone |
| Boots | GUS | Kingfisher | SmithKlineBeecham | Wolesley |

APPENDIX 8: POSSIBLE CHARITABLE TRUST FUNDERS

The five trusts examined in detail are shown in the table below. The following four trusts were not felt to be appropriate after further investigation:

- Kelloggs Community Programme;
- Ove Arup Foundation;
- The Dixons Foundation;
- The Harrow Environmental Fund.

| Trust name | Description | Relevant funding criteria / programme | Contact | Assessment |
|--|--|--|---|---|
| Ashden Trust | The most apt of the various Sainsbury Family Charitable Trusts, with a focus on environmental issues in general. | <p>The Ashden Trust has a specific programme for environmental projects in the UK.</p> <p>This programme covers three areas (aviation, energy and agriculture). Within energy, the focus is on climate change issues, including energy efficiency and renewable energy technologies.</p> <p>In funding such work, the Trust is seeking to stimulate participation by local communities.</p> <p>The Trust also runs the Ashden Awards for Sustainable Energy, which has been running since 2001. The Awards have a strong emphasis on education and the relief of poverty by increasing public benefit.</p> | <p>www.ashdentrust.org.uk</p> <p>enquiries@ashdentrust.org.uk</p> <p>The Ashden Trust Allington House (1st Floor) 150 Victoria Street London SW1E 5AE</p> | <p>Clearly, the Ashden Trust’s remit fits the proposed fund very closely. Recently it has funded a project giving voice to, and generally promoting, entrepreneurs in the micro-power generation sector, and another project researching the potential for a UK renewable energy supplement.</p> <p>A strong case could be made to the Trust administrators that a community energy fund would fit closely with its already extant projects and initiatives, for example the Awards scheme. A new fund would allow more projects suitable for Awards to emerge.</p> |
| The Polden-Puckham Charitable Foundation | The PPCF follows Quaker principles to fund projects relating to peace, | With regard to the theme of ecological sustainability, the Foundation aims to address the causes of global ecological damage rather than its symptoms. In effect, this means that | <p>www.polden-puckham.org.uk</p> <p>ppcf@btinternet.com</p> | An often ignored fund that in fact represents a real potential contributor to this proposal. |

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| | <p>sustainability and human rights. It aims to develop radical alternatives to current economic and social structures, and gives particular consideration to small pioneering organisations.</p> | <p>the Foundation will focus on supporting support organisations that are tackling the underlying pressures leading to environmental damage - in the funding of projects in the developed world, this means projects that focus on changing behaviour.</p> <p>The Foundation seeks to maximize its impact by funding projects that promote policy change and that address decision-makers. Practical, pioneering projects and single-issue groups are funded.</p> <p>The Foundation has an emphasis on funding those causes that cannot attract mainstream funding at present.</p> <p>Within a theme of environmental issues, the Foundation has supported energy conservation projects, alongside transport, consumption reduction, agriculture and green economics projects.</p> <p>NB: The Fund has an exception in that it will not fund community or local projects, except innovative projects for widespread application.</p> | <p>Jagdish Patel Secretary Polden-Puckham Charitable Foundation BM PPCF London WC1N 3XX</p> | <p>The Foundation has funded projects up to £20,000, and has also funded over the medium term (three years).</p> <p>Should an application to the Foundation be made, it will be important to ensure that certain elements are emphasised, in particular:</p> <p>That the Fund seeks to fill a current funding gap;</p> <p>That the Fund would seek to influence decision-makers and / or policy-makers;</p> <p>That the Fund would benefit many, widespread communities, and may help reduce the number of unwanted applications from community groups that are being made directly to the Foundation.</p> |
| <p>The Funding Network</p> | <p>Not a charitable trust <i>per se</i>, the Funding Network is a group of wealthy individuals seeking to fund projects at their discretion. It is possible to contact the Network with a draft idea, and hope to catch the interest</p> | <p>The Funding Network works as a marketplace to which individual members can bring projects that in themselves work towards a fairer, healthier, and more sustainable world.</p> <p>The general themes of the Funding Network are human rights, health, education, peace and environmental sustainability.</p> <p>Both traditional and emerging issues are addressed. The Network is particularly keen</p> | <p>www.thefundingnetwork.org.uk info@thefundingnetwork.org.uk</p> <p>Sarah Kuehne Project Co-ordinator 83 Belsize Park Gardens London NW3 4NJ</p> <p>Tel: 020 7586 1442 Fax: 020 7483 4228</p> | <p>Average grants through the Funding Network are around £5,000.</p> <p>Unlikely to provide the bulk of core money for the Fund, nonetheless, for minimal effort an application to the Network may provide large gains. However, such an application should emphasise that a 'contribution to' a project is not being solicited - none of these modern philanthropists are likely</p> |

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| | <p>of a member at one of their regular Funding Events.</p> | <p>to support small-scale projects that are difficult to fund. Unlike many funding bodies, the Network will also contribute toward core and administrative costs.</p> <p>The Funding Network does not accept unsolicited grant applications. Instead, the application involves providing a one paragraph summary (300 words max), which is incorporated into a summary and circulated to members of the Network.</p> | | <p>to be wanting to simply add their cash to a hat as it is passed round.</p> |
| <p>Eaga Partnership Charitable Trust</p> | <p>A large charitable trust with the general aim to relieve fuel poverty and protect health through the promotion of efficient energy use.</p> | <p>Applications for funding by the Trust should fulfil the following terms of reference:</p> <ul style="list-style-type: none"> i. to assist to clarify the nature, extent and consequences of fuel poverty; and ii. to offer insights into opportunities for the energy efficient and cost-effective relief. <p>The work funded by the Trust can be divided roughly into four categories:</p> <ul style="list-style-type: none"> i. rigorous, policy-related research; ii. action projects (e.g. practical, community-based initiatives which have wider applicability); iii. the promotion of good practice; iv. practical resource materials and events (e.g. training and education resources). <p>There is no minimum or maximum grant. However, the Trust wishes to fund larger projects where possible and encourages the co-funding of projects where appropriate.</p> | <p>www.eaga.co.uk/Charitable/index.html</p> <p>eagact@aol.com</p> <p>Dr Naomi Brown Trust Manager The Eaga Partnership Charitable Trust 23 Macadam Gardens Penrith Cumbria CA11 9HS Tel & Fax: 01768 210220</p> | <p>Eaga-PCT and its predecessor, Eaga-CT, have awarded grants totalling over £400,000 to date.</p> <p>Any application to the Fund, will have to address the focus on fuel poverty. It may be possible to fund those communities in deprived wards through Trust money, as part of a contribution to the overall Fund.</p> <p>The Trust seeks to fund projects that span between one and three years.</p> |

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| <p>The Esmée Fairbairn Foundation</p> | <p>One of the largest independent foundations in the UK, making grants to organisations which aim to improve the quality of life for people and communities in the UK, both now and in the future.</p> | <p>The Foundation has an environment programme worth £5.7 million in 2005.</p> <p>The environment programme aims to promote environmental projects that, amongst other issues, focus on the need to reduce carbon emissions, together with well-planned, sustainable urban and rural developments.</p> <p>The Foundation’s work on carbon reduction has an overall aim to stimulate changes in policy, planning and practice that will support the achievement of a low carbon economy and lessen the detrimental effects of greenhouse gas emissions.</p> <p>The Foundation particularly welcomes applications that work at a strategic level and on a nationwide basis. Work in energy covers: generating renewable energy; energy efficiency; reductions in greenhouse gas emissions.</p> <p>The Foundation is unlikely to support work that is routine, low impact or well proven elsewhere. It is also unlikely to support applications where the proposed benefits are predominantly local.</p> <p>The Foundation has a remit to consider work, which others may find hard to fund, perhaps because it breaks new ground, and also aims to focus on areas that require new thinking or can be regarded as important but unexplored areas.</p> | <p>www.esmeefairbairn.org.uk info@esmeefairbairn.org.uk</p> <p>11 Park Place London SW1A 1LP Tel: 020 7297 4700 Fax: 020 7297 4701</p> | <p>The Foundation has recently funded projects that have a similar, widespread objective to the Fund, for example £162 K to the Carplus Trust, to fund the costs of a training and support framework to develop responsible car use schemes, over three years.</p> <p>A successful application to the Foundation would have to emphasise the strategic, national-level issues that the Fund would in effect address.</p> <p>The benefits to regions (regional CO2 targets?) would have to be emphasised, as well as the fact that the Fund is in effect a new piece of thinking, seeking to break new ground.</p> |
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APPENDIX 9: SUGGESTED APPLICATION GUIDANCE

This information is provided for guidance only. The application pack should be developed to suit the funder's requirements. Effort should be taken to keep the application procedures as simple and concise as possible. There are two components to the application pack:

- application guidance & assessment guidelines
- an application form

The application pack should be available electronically via the web or email, and in a paper format for groups that do not have easy access to the internet.

1. Application Guidance and Assessment Guidelines

Initial information & guidance on the fund, how it works, what is required and what applicants can expect.

What is the community energy small fund? What is it for? Objectives (what is it trying to achieve?). Where does the money come from - is it classed as public (European, national, local) or private sector (important for applicants to check if it's suitable to match with other programmes)?

Who can apply? - suggest it always needs to be a constituted community group, register charity or co-operative i.e. a legal accountable structure.

What resources do groups or individuals need to put in themselves?

What can be funded?

List eligible activities that could be funded. Keep open - suggest examples but allow groups to make a case for other relevant activities. Guidance of what this actually means will be needed

The following overarching criteria should be considered. In terms of a project that may get funding it should either:

- Have as an ultimate objective the long term reduction of carbon emissions, or
- Have as an ultimate objective a reduction in the use of energy

The project should also demonstrate need, by either:

- Being based upon taking the results of past community involvement forwards, or
- Setting out, as a fundamental element of the project, to involve or gather the views of the community.

Project Development/Feasibility studies

Funding should be available to either test the viability of a new idea, or to test the viability of an existing idea, but in a new location or with new partners. For feasibility studies we would suggest that an implementation strategy should be included as a key project output.

Specifically, applications should be welcomed that request funds to pay for such things as:

- Consultants' fees
- Design costs, including time, production and dissemination
- Option appraisal studies, for example looking at different technologies, or the same technology in different locations. Another option might be to examine the potential to develop community initiatives in different areas
- Production of reports
- Technical data analysis, either by specialised consultants or through using specific diagnostic tools
- Financial analysis, including market analysis, potential savings, take-up rates and so on
- Legal requirements such as local authority searches and planning application costs
- Costs associated with researching potential demand for domestic energy efficiency measures, for example accessing and analysing socio-economic data
- Carbon reduction assessments
- Market testing the application of competing technologies

Separate standard advice on tendering, transparency, managing consultants etc. should be provided to those groups who wish to fund a 'project development' or feasibility study (on-line resource/ info sheet).

Training and management

Specifically, applications should be welcomed that request funds to pay for such things as:

- Costs associated with developing a new business plan or project development plan
- Fact-finding visits
- Providing relevant training courses for members of a community

- Costs of attending relevant training courses for members of a community organisation
- Volunteers' expenses
- Other costs of setting up a new community organisation, Community Interest Company or other organisational vehicle for taking forwards the project

Consultation and awareness-raising

Specifically, applications should be welcomed that request funds to pay for such things as:

- Costs associated with establishing a need or common desire for a future project
- Production of promotion or publicity materials
- Distribution of publicity materials, including postage
- Putting on an event or activity
- Venue hire
- Associated costs, such as child-care for meeting attendance
- Equipment hire
- Setting up and developing partnerships with key bodies such as housing associations and local authorities.

List of ineligible items

Identifying specific ineligible criteria should also be considered. For instance, if the fund is to be revenue only it should be made clear in the fund administrative provisions that the following activities are excluded,:

- Installation and management of renewable energy generation equipment
- Installation of energy efficient measures
- Other capital costs
- Schemes centred around major public buildings, such as schools and hospitals
- Existing running costs of community groups (although the costs of an organisation's overheads that are additional as a result of taking on board a project should be eligible)
- Political campaigns, religious activities, retrospective work, statutory activities, recoverable VAT.

What will groups/individuals have to do in return for grants?

E.g. keep records of what grant has been spent on, keep receipts for all expenses, be willing to receive support and mentoring, ensure no discrimination in their project on grounds of race, religion, disability or age. Also provide feedback on what happened as a result of spending the grant and any changes that occurred.

What criteria will be used to assess applications?

We would recommend that assessment procedures for the applications are specified as part of the application pack. This would make the process transparent and help build trust within the community sector.

The basis for assessment should be that all applications that meet the assessment guidelines get funding, until such a point the fund is exhausted or the allocation for a particular region is reached.

A scoring system should be developed to both enable groups to understand how their application will be assessed and to give a set procedure for the grant assessors to follow to ensure consistency.

How long will we have to wait for an answer?

Suggest realistic time frames and stick to them.

Keep open application system - no deadlines - quarterly meetings determine when outcome known - publish dates - queuing system. Perhaps a fast track response for grants of £1,000 or less.

What reporting and monitoring requirements will there be?

A requirement to provide a final report on the work that is funded should be a condition of the funding.

To ensure that useful information is drawn out for each group it would make sense to provide a report proforma including such things as the lessons learnt, especially those that can be repeated elsewhere. The proforma should allow for information on the project to easily be pulled off by the CAfE team so they can use it to update the CAfE projects database.

Applicants should be asked to provide details themselves of how they wish to monitor the progress and effectiveness of their project. This will make it less daunting for many groups, but again we suggest that applicants be provided with a basic fact-sheet about ideas behind project monitoring. In particular, brief and succinct information should be provided that covers:

- What monitoring and evaluation is
- Why projects should incorporate monitoring and evaluation into their costs at an early stage
- The fact that in the case of most applicants, self-evaluation will be sufficient
- Developing aims and objectives
- The crucial role of early public involvement
- Setting a few, simple measurable indicators

- Using quantitative and qualitative data
- How to use results.

Case studies

Those projects with potential for more in-depth learning that would be worth sharing could be written up in greater detail. These projects could develop a new range of detailed case studies that could be disseminated through the CAfE programme. We suggest that this work is done by the CAfE team or external case study writers and the groups will need to agree in advance to make their records/experiences available to such writers on request.

2. Application Form

Introduction:

Please read the relevant guidance notes before completing this form. Grants are made subject to compliance with the criteria set out in the guidance notes and it is therefore important that you read and understand them.

All sections must be completed - missing information will cause your application to be delayed.

If you are completing this form by hand, please use BLOCK CAPITALS and black ink.

If you require further assistance completing this form, please contact.....

Something about data-protection

Section A: About You & Your Organisation

Your name:

Name of group:

Contact details:

Address
Telephone
E mail

When is the best time to contact you by telephone?

If you have any communications needs, what are they?

- a. Textphone
- b. Sign language
- c. Other language
- d. Other needs (please say what they are)

Please briefly explain the main purpose of your organisation, the activities and services you provide:

Type of organisation:

- local community group with constitution
- registered charity
- co-operative

Has your group got its own bank account?

If Yes. Please give details

If you do not have a bank/building society account, please provide details on the organisation who will receive a grant on your behalf (i.e. name, address etc. and relationship to your group) You will need to provide a signed agreement between your group and this organisation to confirm the arrangements that have been made for them to accept funds on your behalf.

Section 2: About Your Project

Name of activity to be funded/or Project Title:

Project Summary: What is your project about? How do you intend to use a grant from the community energy small fund?

if no, need to answer....

- How much will the activity cost in total?
- How do you expect to get the money to fund the remaining cost of the activity not covered by the community energy small fund grant?

Similar table will be needed showing total cost, which parts this application will fund and which part will be funded from other sources, and what sources these are.

Section 4: Declaration

I, the Applicant, confirm that I have read and understood the guidance notes for the scheme and agree to be bound by them.

I certify that the information entered on this application is true, accurate and complete in all respects.

Contact Name:

Signed:

Date:

The application form also needs to be signed by the organisation that will receive the grant if you do not have a bank account.

I, the grant receiver, confirm that I have read and understood the guidance notes for the scheme and agree to be bound by them. I confirm that the grant is for the sole use of the applicant to carry out the project described in the above application. I certify that the information entered on this application is true, accurate and complete in all respects.

Contact Name:

Signed:

Date:

Instructions on where to deliver the application form - it will need to be in hard copy to enable the additional documents to be included.

Accessibility

We would suggest that the final application form and guidelines are checked for their accessibility. For example: Presentation of guidelines, application form and website to be accessible to those with different learning and visual needs (e.g. dyslexia, Irlen syndrome). Use can be made of Techdis design guidelines (accessibility for different learners) - http://www.techdis.ac.uk/index.php?p=9_7 and the National Disability Team - <http://www.natdisteam.ac.uk/> Plain English Campaign - guidelines for literature and form design <http://www.plainenglish.co.uk/guides.html>

We recommend consultation with community groups and some of the networks that support them on how simple and user-friendly this application process is.

APPENDIX 10 MAJOR CHANGES TO BE TAKEN INTO ACCOUNT

The timing of this research has coincided with a number of major changes and new initiatives. The outcomes of all of these are not clear yet so it is crucial that they are followed to ensure a new fund complements them. These include:

- **Low Carbon Buildings Programme** - The replacement fund for Clear Skies and DTI Solar PV scheme. It will aim to stimulate the micro-renewables market and reduce carbon emissions and is likely to include individual & community projects and a limited number of high profile large-scale projects. Its launch date is not yet clear as its proposed April 2006 launch has been postponed;
- **Climate Challenge Fund** - This new £6 million fund is currently open to local communicators, smaller groups, community groups, not-for-profit organisations and for profit companies where the project is not-for-profit. It will provide funding for appropriate communications about climate change, helping to cover the costs of creating and including climate change messages into existing communication channels. It is only available for projects in England and there may only be one call for proposals in March 2006.
- New approaches such as **Local Area Agreements**, where a number of government funding streams are rationalised through a local authority in line with locally set priorities, are either being piloted or about to be introduced. Other funders are also engaging with this process and the outcome of this could change the way a community group or organisation engages with energy. Evaluations of these new approaches, as they emerge, may offer clarification of alternative routes to traditional funding;
- The **DfES/Defra** research highlighted in the report brief. As already stated we were unable to get a copy of this in time to include in this report. When it is published it should be checked to see if there are any key issues that need to be considered as part of a new fund;
- The results of the most recent **CAfE evaluation**. Taking place during November 2005 this independent evaluation of the CAfE programme may shed more light on the sort of projects community groups are doing or are keen to develop;
- The results of the **NEA pilots for energy efficiency in community buildings** are due to be released in early 2006. These are likely to show how effective small grants may be for basic energy efficiency measures. Their joint call for a new fund to support this work is likely to pick up pace at this point and it should be monitored to see if the government decides to fund this new work. The idea of this new fund may even provide a possible route the government could use for this funding.

APPENDIX 11: JARGON BUSTER

CAfE: Community Action for Energy
CRI: Community Renewables Initiative
CVS: Councils for Voluntary Service
Defra: Department for Environment, Food and Rural Affairs
DETI: Department for Enterprise, Trade and Investment for Northern Ireland
DfES: Department for Education and Science
DTI: Department of Trade and Industry
EEACs: Energy Efficiency Advice Centres
EEC: Energy Efficiency Commitment
EEPH: Energy Efficiency Partnership for Homes
ESF: European Social Fund
EST: Energy Saving Trust
FAWN: Funding Advice Worker Network
HEES: Home Energy Efficiency Scheme
LAA: Local Area Agreement
LSP: Local Strategic Partnership
NACVS: National Association of Councils of Voluntary Service
NEA: National Energy Action
NIAER: Northern Ireland Authority for Energy Regulation
NIE: Northern Ireland Electricity
ODPM: Office of the Deputy Prime Minister
OFREG: The Office for the Regulation of Electricity & Gas in Northern Ireland
SCHRI: Scottish Community and Householder Renewables Initiative
VCS: Voluntary and Community Sector

APPENDIX 12: USEFUL WEBSITES

CAfE: www.est.org.uk/cafe/

Clear Skies: www.clear-skies.org

Community Foundation Network: www.communityfoundations.org.uk

Creating Excellence: www.creatingexcellence.org.uk

Energy Efficiency Partnership for Homes: <http://www.est.org.uk/partnership/>

Energy Saving Trust: www.est.org.uk

National Association of Councils of Voluntary Service: www.nacvs.org.uk

National Council for Voluntary Organisations: www.ncvo-vol.org.uk

National Housing Federation: www.housing.org.uk

Northern Ireland Council for Voluntary Action: www.nicva.org

Plunkett Foundation: www.plunkett.co.uk

Ruralnet: www.ruralnet.org.uk

Scottish Council for Voluntary Organisations: www.scvo.org.uk

Wales Council for Voluntary Action: www.wcva.org.uk

Funding information

Funding Advisory Service Team: <http://www.fastgrant.co.uk/>

Grants for the British charity & non profit sector: <http://www.access-funds.co.uk/>

Trusts & foundations: http://hi-arts.co.uk/trusts_foundations.htm

UK information and resources for fund raisers: <http://www.fundraising.co.uk/>