**Community Energy Fund**

Information and Guidance

1. **What is Community Energy?**

Community-led energy projects bring people together to secure the energy supply for their local area. The Community Energy sector encompasses collective action at a local level to reduce, purchase, manage and generate energy, ultimately enabling the local community to benefit collectively from the outcomes. Activity can include reducing demand, improving energy efficiency or increasing the amount of energy generated from low-carbon and renewable sources.

1. **Community Energy Fund: Summary**

The Community Energy sector has the potential to produce a significant reduction in carbon emissions as well as savings in consumer bills, new training and employment opportunities and re-investment of surplus revenue to create wider social and economic benefits in local communities. We are therefore keen to support the sector as means of supporting the recovery of businesses and the wider economy of Devon following the COVID-19 pandemic.

We recognise that the Community Energy sector in Devon, although growing quickly, is still at an underdeveloped stage. Our research has identified some particular barriers around capacity and skills in the sector and we have therefore set up this fund to help to address these issues.

The Key Objective of this fund is to support, develop and fund a small number of high-quality Community Energy initiatives that will help to advance and strengthen the Community Energy sector in Devon.

The fund is available for voluntary, community and public-sector organisations across Devon to help support Community Energy initiatives that will:

* improve the capacity of existing community energy companies in Devon to develop successful community energy projects
* increase the number of community energy companies in Devon
* provide accredited training that helps to move the community energy sector forward, particularly accredited retrofit training
* increase public awareness of the benefits of community energy

The fund is structured around four key areas of focus:

1. Upskilling the Community Energy Sector – we will support skills and training in order to increase capacity within the community energy sector. The aim is to (a) help communities to take forward their community energy projects from the ‘idea’ stage through to practical delivery (b) support communities to adopt new technology and ways of working
2. Rural Community Energy Fund – we will support the preparatory work required in order to make an application to the RCEF or other strategic community energy funds. This might include identifying the opportunity and collating evidence.
3. Community Retrofit Accredited Training - we will fund accredited training for Community Retrofit. This includes Advisor / Assessor / Coordinator courses. We would also consider other accredited training that helps to move the community energy sector forward.
4. Increasing the number of Community Energy Companies in Devon – through this fund we will support the creation of two new Community Energy Companies in Devon.

**All projects must have a clear community benefit and should include awareness-raising activities to engage the wider community eg. through public events**

We will prioritise projects that:

* create jobs and/or training
* provide opportunities for acquiring accredited skills
* contribute to saving energy
* contribute to generating renewable energy
* demonstrate local ownership and/or community involvement with the community energy sector
* improve knowledge and awareness of the opportunities presented by the community energy sector

1. **Eligibility**

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| --- | --- |
| Who can apply? | Not-for-private-profit organisations and public-sector bodies may apply including - Community Energy Companies / Community Benefit Societies / CICs / Charities / Parish / Town / District Councils (within Devon) and community groups  Applicants must:   * be based in Devon * have a Governing Document appropriate to the recognised status of the organisation eg. constitution, Articles of Association * have a Management Committee or Board of at least 2 members e.g. Trustees, Directors, Management Committee. Where the Applicant is an unincorporated organisation, the Management Committee or Board must have at least 2 unrelated members * have a bank account in the name of the organisation and a minimum of 2 bank signatories. Where an Applicant is an unincorporated organisation, the 2 bank signatories must be unrelated * Annual Accounts or financial records that clearly record annual income and expenditure breakdowns   If an association or community group is interested in applying for funding but it does not fulfil all the above eligibility criteria, the association or community group must identify an organisation with an already established legal form (eg. Parish or Town Council) that meets all the above eligibility criteria AND that will be the accountable body to Devon County Council for the purposes of applying for and receiving the funding. The organisation will be required to complete the Application Form and sign the Grant Agreement. |
| What is the funding for? | The Key Objective of this fund is to support, develop and fund a small number of high-quality Community Energy initiatives that will help to advance and strengthen the Community Energy sector in Devon.  Specifically, we will provide funding for:   * Skills and training to increase capacity in the community energy sector * Preparatory work for applications to larger strategic funds that have a community energy focus, eg. RCEF * Community Retrofit Accredited Training and other accredited training to benefit the community energy sector * Set-up costs for two new Community Energy Companies in Devon   All projects must have a clear community benefit and should include awareness-raising activities to engage the wider community eg. through public events |
| Where can projects take place? | Activity needs to be wholly within Devon (excluding Plymouth and Torbay) |
| How much is available? | The maximum grant is £25,000. We expect the majority of the funding to be revenue but we can also provide some capital funding where this is required to deliver your project. Larger grants may be considered in exceptional circumstances.  We would expect applicants to request the amount required to enable them to deliver their project.  Funding from the Community Energy Fund can be used for:   * revenue costs eg. salaries, training * capital costs eg. buildings, equipment   The following costs are not eligible for funding:   * retrospective investment * standard business costs and fees * VAT you can reclaim * actions to meet health & safety or other statutory requirements   Match funding is not required but projects that have match (cash or in-kind) will be regarded favourably. |
| When can projects take place? | Applications for Round 1 must be submitted by 12 noon on 8 November 2021.  If all funding is committed in Round 1, there will be no further rounds.  If funds allow, Round 2 will be announced in due course.  Projects can run for up to two years.  All funding must be spent by 31 March 2023 |

1. **Exclusions**

* Applications from for-profit businesses that share profits privately, individuals and sole traders cannot be considered
* We cannot support projects which intend to use the funds to make grants to other organisations
* Any technology that runs on fossil fuels
* Projects to generate energy for a single building/organisation with no wider community benefit

1. **Outputs/Outcomes required**

Your project must include at least one of the Community Energy Sector Outputs (1 - 8).

Your project should also include one of the Energy Outputs (9 – 10):

Please enter any additional outputs in the application form, explaining how you will measure them. We may wish to discuss these with you as part of our project assessment.

Complete Section 19 of the Application Form stating how many outputs your project will deliver for each year. This information is also required in the Outputs sheet in Appendix 1.

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| --- | --- | --- |
|  | ***Output/Outcome Delivered*** | **Notes** |
| **Community Energy Sector Outputs** | | |
| 1 | Number of businesses/organisations supported | Do not include your own organisation here but please count any other organisations that your project will support. |
| 2 | Jobs created/safeguarded | Combined total of jobs created and/or safeguarded as a result of your project |
| 3 | Number of new apprenticeships | [Apprentices](https://www.apprenticeships.gov.uk/) are employees with a contract of employment - they get paid and receive holiday leave. At least 20% of working hours are dedicated to formal training. |
| 4 | Number of participants engaged on an accredited training course  eg Advisor / Assessor / Coordinator | Number of participants who start a training course as a result of your project |
| 5 | Number of participants completing an accredited training course | If all participants stated in 4 above are expected to complete their training, please state the same figure again. |
| 6 | Number of participants gaining an accredited qualification | Participants gaining qualifications listed on the [Register of Regulated Qualifications](https://register.ofqual.gov.uk/) can be included here |
| 7 | Number of new Community Energy Companies set up |  |
| 8 | Number of Devon residents engaged with the Community Energy sector |  |
| **Energy Outputs** | | |
| 9 | Potential energy savings | MWh per year saved |
| 10 | Potential renewable energy capacity created | MWp per year |
|  | **If your project will also deliver other outputs/outcomes, please list them here:** |  |
|  | Enter additional outputs/outcomes | Describe how these will be measured and state the quantity that you expect to achieve |
|  |  |  |
|  |  |  |

1. **Project costs and funding**

You will need to provide details of the total costs of your project and show that you will have funding (including the amount you are requesting from the Community Energy Fund) to cover all the costs.

If you can reclaim VAT, please exclude VAT from your figures.

If you cannot reclaim VAT, please include VAT in your figures.

If you need to pay for sub-contractors or purchase large items you will need to provide evidence of the costs, as follows:

|  |  |
| --- | --- |
| **Value** | **Evidence** |
| Above £1,000 and up to £2,500 (£5,000 for works) | Two oral quotations |
| Above £2,500 (£5,000 for works) and up to £10,000 | Invite three organisations to submit written quotations |
| Above £10,000 | Invite three organisations to submit written formal quotations submitted by a specified date and time and based on a written specification and evaluation criteria |

Please complete the Project Costs & Funding section in the application form and in Appendix 1.

1. **How to apply to the Community Energy Fund**

You will need to complete the following documents:

* Community Energy Fund Application Form
* Community Energy Fund Appendix 1 – Costs & Funding
* Community Energy Fund Appendix 1 – Outputs
* Community Energy Fund Due Diligence Form

You will also need to provide:

* Evidence that you have the necessary consents to proceed with your project

1. **Selection criteria**

This is a one-stage application process: projects will be selected on the basis of the information provided in the Application Form and Appendix 1.

* 1. Essential Requirements

1. Applications must satisfy the eligibility criteria set out in Section 3 above.
2. Applications must have the necessary consents (eg. planning consent) to be able to proceed with their project within the required timescale
3. Projects must be able to deliver at least one of the Community Energy Sector Outputs and, where possible, one of the Energy Outputs, as set out in Section 5

8.2 Selection Methodology

Applications that meet the essential requirements above will be scored by members of an Assessment Panel as follows:

Each panel member will allocate a score from 0 to 5 for the following sections of the application form:

* Your Project
* Project Costs & Funding
* Project Management

The maximum score that a panel member can give to a project is therefore 15.

The scores from each panel member will be combined to give a total score for the project.

In order to be considered for a grant, projects will need a score of at least 50% of the maximum available marks. Above this, funding will be awarded to the highest-scoring projects, subject to the availability of funding and satisfactory due diligence checks.

The table below sets out how the responses to each section of the Application Form will be assessed and scored:

|  |  |  |
| --- | --- | --- |
| Score | Acceptability | Applicant response demonstrates |
| 0 | Unacceptable | The information required by the question is either not provided or is fundamentally unacceptable, for example the entirety of a project is located outside Devon. |
| 1 | Poor | There is insufficient evidence that the Essential Requirements can be met. There are significant omissions from the information required to be provided. |
| 2 | Fair | Responses cover the basic information requested in many respects but are unsatisfactory in others. There may be some minor omissions or areas which indicate that the Essential Requirements may not be met and/or the Key Objective will not be achieved. |
| 3 | Good | The information submitted meets the Essential Requirements and Key Objective. There are no major concerns. |
| 4 | Very good | The information submitted provides good evidence that the Essential Requirements can be met. The application inspires Devon County Council's confidence in the project and the achievement of the Key Objective. |
| 5 | Outstanding | The information submitted exceeds expectations that the Essential Requirements can be met, giving Devon County Council no concerns in respect of its investment. The application inspires Devon County Council’s confidence that its Key Objective will be achieved. |

1. **Payment**

If your application is successful and you are awarded funding, you will receive an upfront payment of 50% of the amount awarded.

Subject to satisfactory progress against your stated milestones, and evidence that you have spent your first payment on eligible costs, Devon County Council will make a further payment of 40%.

The final 10% will be paid when the project is complete and Devon County Council is satisfied that you have met the terms of your Grant Agreement.

1. **Building Works**

It is your responsibility to ensure that building works comply with current regulations.

You should contact your District/Borough Council to find out if planning consent or other approvals (eg. building regulations) are required for the work you are intending to carry out. If planning consent is required, please ensure that it is in place before starting your project and provide copies of the relevant documents. If you do not yet have planning consent, please confirm that permission will be in place within 6 months of being offered a grant.

1. **Subsidy Control**

Grants from the Community Energy Fund are awarded through the Small Amounts of Financial Assistance Allowance (SAFA). This is part of the UK’s new Subsidy Control regime which replaces the EU State Aid rules. Under the new rules, you are allowed to receive up to £335,000 (subject to exchange rates) from public funds over any period of 3 years. It includes any subsidy previously received as *de minimis* aid or as Small Amounts of Financial Assistance under the EU-UK Trade and Co-operation Agreement (TCA) from any subsidy awarding body.

It is your organisation’s responsibility to check that it is eligible, and by the very submission of an application you are declaring that, if awarded payment, you are complying with and will not exceed the SAFA threshold. If you have any doubt as to your position you must seek appropriate advice before applying.

Please complete the table in the application form to declare any subsidies that your organisation has already received. We will seek further information from you should our due diligence checks highlight that you have exceeded the Small Amounts of Financial Assistance Allowance of £335,000 (subject to exchange rates) over a period of three years.