



# **Supporting Decarbonisation Grants Policy 2024 - 2025**

#### Introduction

The council has secured capital funding via the UK Shared Prosperity Fund (UKSPF) and stated its intention to invest funding in intervention E29: Supporting decarbonisation and improving the natural environment whilst growing the local economy, making grants available to local organisations to support decarbonisation projects.

This project is funded by the UK government through the UK Shared Prosperity Fund. The UK Shared Prosperity Fund provides £2.6 billion of funding for local investment by March 2025. The Fund aims to improve pride in place and increase life chances across the UK, investing in communities and place, supporting local business, and people and skills. For more information, visit <a href="https://www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus">www.gov.uk/government/publications/uk-shared-prosperity-fund-prospectus</a>.

This scheme will provide capital funding to:

- Support implementation of decarbonisation activities, including purchase of equipment, premises adaptations and establishment of net-zero infrastructure
- Support businesses to lower greenhouse gas emissions and adopt new processes and/or technologies.

Projects must take place in Vale of White Horse and must be completed by 31 March 2025. Projects must evidence how funding would be used to help to reduce greenhouse gas emissions, and to what extent emissions would be reduced (by kilo, or tonne).

Applicants can apply online through the council's website, where full guidance is available to help the applicant submit the best possible application.

## What type of project will the scheme fund?

The funding must be used on capital projects. This means the grant funds must be spent on lasting assets, such as a building or equipment. For further details of what constitutes capital costs, please see our <u>Capital Expenditure guide</u>.

Grant funds cannot fund running costs or promotional activities. We will not award grants towards loans, for example maintenance, rent, clothing or salaries. **We will** 

not fund projects which could directly, or indirectly, have a negative impact on supporting the council to achieve its Corporate Plan aims.

This is likely to be a highly competitive grant scheme, and therefore it will not always be possible to fund every eligible application.

We will consider applications for projects that have already started. However, we will only fund costs under projects that will not be completed until after our decision is made, as we cannot fund retrospective costs. We will only consider funding for work that will be completed before the scheme deadline of 31 March 2025.

## Who can apply to the scheme?

This scheme is principally aimed at Vale of White Horse based Small and Medium sized Enterprises (SMEs). While the scheme seeks to encourage and enable business decarbonisation, registered charities are able to apply to the scheme.

- Private sector companies
- Sole Traders
- Partnership
- Registered charities
- Social enterprises, for example CIC's

#### Who is not eligible?

- Organisations with more than 250 employees, or an annual turnover of more than £50m.
- We cannot support projects that include energy / building improvements for premises that also function primarily as domestic accommodation.
- We cannot support projects that have received funding from the following schemes:
  - <u>The Farming in Protected Landscapes Programme</u> funding for farmers and land managers to work in partnership with National Parks and Areas of Outstanding Natural Beauty bodies to deliver projects on climate, nature, people and place.
  - The Farming Investment Fund grants to improve productivity and bring environmental benefits, covering 2 funds - the Farming Equipment and Technology Fund and the Farming Transformation Fund.
  - The Platinum Jubilee Village Hall Improvement Grant Fund grant funding over 3 years (to 2025) to support capital improvement projects for village halls, covering extending buildings and modernising facilities. More details on how to apply will be available shortly.

#### What are the minimum and maximum amounts for the scheme?

The council has an maximum budget of £200,000. Funding will be made available from a minimum of £1,000 up to a maximum value of £10,000 per grant.

#### Example projects include:

- Net-zero infrastructure for businesses
- New or enhanced green infrastructure at your site or building such as living walls, green roofs, or rain gardens
- Adaptations to commercial premises that lower emissions
- Replacing gas/oil boilers with air-source heat pumps and similar examples, such as purchase of equipment with high energy efficiency ratings that help to lower emissions, (please note: we cannot fund new gas boilers or other equipment which may have a negative impact on our climate objectives or that do not support the delivery of the district council's net-zero emissions targets)
- Purchase of technology that helps to manage and lower emissions (such as smart energy devices)
- o Projects that enable public transport, walking or cycling
- Equipment that reduces the amount of waste produced, including improved recycling and reuse of materials
- Equipment that reduces the use of petrol or diesel vehicles, such as electric vehicles, e-bikes, bicycle courier equipment or business infrastructure, such as EV (electric vehicle) charging points
- Equipment to enable renewable energy generation (e.g. solar arrays)
- Equipment that enables use of more sustainable materials, or more efficient recycling and reuse
- Projects that enable shorter travel distances for products and services
- Equipment that enables repair cafes, workshops or the loan or share of items and equipment
- Equipment that enables or improves composting of green waste

We will not award more than the amount requested.

The maximum an applicant can request from the fund is £10,000.

## Opening and closing dates

The scheme will open in September 2024 and recommendations will be made in October 2024.

In the event of funding remaining after a first round, further rounds will be considered, and timelines will be communicated via the SVBS newsletter. Further funding is not guaranteed to be offered.

## Scheme eligibility criteria

In addition to meeting the requirements above, applicants must provide:

 a copy of recent statements for any bank/building society accounts in the name of the organisation, as identified in the application and on their constitution or company documentation.

- evidence that the organisation has produced either a decarbonisation plan, sustainability plan or energy audit, or can otherwise demonstrate evidence of how funding would contribute to lowering emissions and quantify the anticipated reduction in emissions (in kilos, or tonnes)
- two quotes for project items or a professional estimate for any building work.
- a breakdown of the total cost for the project (that includes any match funded contributions)
- evidence of secured match funding for the project (where applicable). This could be bank statements showing the funds available, or grant offer letters showing the amount of funding offered.
- charities and community organisations must provide a constitution that demonstrates that the project they are applying for matches the organisation objectives. They are a 'not for profit organisation' and the trustees do not receive benefits.
- private sector companies and sole traders must provide a UTR number
- Private sector companies must provide a company registration number, and evidence they are actively trading. (This may include evidence of recent invoices, a website or similar digital presence, business rates bills, or other formal business documentation – due diligence checks are undertaken)
- If your organisation is registered for VAT, you must provide your VAT registration number. Please note: if you are VAT registered and can recover VAT for grant funded projects, then please ensure VAT is not included in your costs.

#### And must confirm:

- they will sign up to our standard conditions before proceeding with the application. These are available to download from the website and grants system.
- they have the correct authority in place for their representatives to apply and enter into the Grant Agreement and legally bind the organisation.
- the project will not complete before a decision has been made, (which is targeted for 5 weeks from the closing date), as we cannot pay for retrospective costs.
- for applications concerning land of buildings, confirmation of property ownership - either a freehold interest or confirmation of a current lease.
- for applications concerning land or buildings, they have all the necessary consents such as planning permission, listed building consent, Diocese faculty, landlord or head lease consent, or compliance with any restrictions on the property title, and could provide these on request. Please note, we cannot fund planning permission and building regulations.
- they have not received any Minimal Financial Assistance in excess of £315,000 (this may also have been called De Minimis State aid if you received it prior to 1 January 2021) in this financial year and/or in the

- previous two financial years. The organisation is to provide relevant evidence if a subsidy/Minimal Financial Assistance has been received.
- they will provide additional information to help us evaluate their application on request.

#### Applicants must also provide:

- for applications concerning land of buildings, confirmation of property ownership - either a freehold interest, or a current lease
- their most recent financial accounts, or their working budget and financial plan for the year if they are a new organisation.
- Where relevant, details of ongoing maintenance arrangements.

The Head of Development and Corporate Landlord can decide to accept applications that do not meet all the above criteria and will do this on a case-by-case basis.

Applicants must give clear reasons why they cannot meet a particular criterion for an exception to be considered. For example, where there would be a significant impact to the community if the project were not able to go ahead, an exception may be considered.

Organisations must formally accept the grant offer within four weeks of the date of the offer letter, otherwise the offer will be withdrawn.

#### All projects must complete before 31 March 2025.

## **Application and Award Process**

- 1. Businesses apply using the council's online grants management system ('the system'), accessible from the Economic Development pages of our website.
- 2. Applicants should read the guidance notes on our website before beginning an application.
- 3. Council officers will check the eligibility of the application (including the additional checks if required) and liaise with the applicant, if necessary, to establish eligibility. If eligible, officers will prepare a short summary of the application including key information from the application, merits, concerns, and recommended scoring to the relevant head of service.
- 4. The relevant head of service will then make award decisions in consultation with the relevant cabinet member. Their decisions are final and aren't subject to appeal or call-in.
- 5. We'll aim to make our funding decision within five weeks of the scheme closing date.
- 6. Once the economic development team receive the award decision, they will save it on the grants system, publish the decision on the council's website (in summary once the scheme closes) and either; a. send a grant offer letter to the applicant that will include our standard (and any special) conditions and a

- grant acceptance form they must complete and return, or b. inform the applicant that they were unsuccessful
- 7. The applicant must sign and return the acceptance form to the economic development team, confirming they will meet all our conditions.
- 8. On receipt of the acceptance form we will release the grant payment in line with the offer letter, following agreement from the relevant head of service. All payments must be made by BACs to an account in the name of the organisation making the grant application.

## Standard conditions for all grant awards

All organisations are required to sign up to our standard conditions before proceeding with the application.

We may add extra conditions to any grant if we consider it necessary. These conditions will be determined using a risk matrix, in consultation with the Cabinet member for any projects that appear to present a medium or high risk. They will then be presented to the head of service for consideration.

The Head of Development and Corporate Landlord has delegated authority to remove any agreed grant conditions.

We will confirm applicants have met all the conditions before making any payment. Failure to meet all the agreed conditions may delay payment or, in extreme cases, result in us withdrawing our grant offer.

## **Payment of grants**

We will only pay towards costs incurred after the date of the council's decision to award a grant.

We will pay the grant in full when we receive a valid signed acceptance form and standard conditions. We will request a project update in January 2025 and will require before and after project photos to be uploaded, along with a short report on your project's outputs and outcomes.

Please note, that as per the grant condition clause 3.9. the council may ask for proof of expenditure (valid receipts or invoices) on completion of your project. The grant may only be used for the project agreed, and failure to complete the project on time, or otherwise adhere to the conditions agreed, may mean that applicants are required to pay back all or part of the grant.

## Scoring and award matrix

Suggested Scores	Scores: The scoring thresholds which identify what priority level the project falls into can be amended, depending on the number of applications received and potential allocation of funds to ensure maximum community benefit. As agreed by the Cabinet Member.	
5+	Project can be recommended for funding	
0 to 4	Project will not recommended for funding	

Please note, as we have limited overall funding available, if all projects cannot be funded, and scores are tied, relevant applications will be decided by the overall level of emissions reduction reached by the project and if still tied, in order of receipt.

Projects MUST score at least one point in the Project outputs/outcomes section to be recommended for funding.

## **Project outputs/outcomes**

Applications applying will be assessed against the following outputs/outcomes:

Points	Adoption of new to the firm technology or processes
0	Adoption of no new to the firm technologies or processes
1	Adoption of 1 new to the firm technology or process
2	Adoption of 2 new to the firm technologies or processes
3	Adoption of 3 or more new to the firm technologies or processes

Points	Greenhouse Gas emissions reduced (per tonne)	
1	Up to 1 tonne per annum	
2	1 to 5 tonnes per annum	
3	5 or more tonnes per annum	

# **Decarbonisation Planning**

Points		
0	No evidence of need for project has been provided	No evidence of decarbonisation planning has been provided.
1	Limited evidence of need for project has been provided	Non-organisation specific evidence has been provided, such as information from internet research. (i.e., replacing a diesel vehicle with an electric vehicle would lower emissions)
2	Good evidence of need for project has been provided	Evidence of a light touch decarbonisation plan has been provided such as those produced inhouse using online tools, (such as the SME Climate Hubs Carbon Calculator Start measuring - SME Climate Hub or similar)
3	Comprehensive evidence of need for project has been provided	A premises specific energy audit or comprehensive decarbonisation plan has been provided that demonstrates professionally designed and tested solutions (such as those involving on-site visits, engaging specialist consultant advice specific to business operations)

# **Matched Funding**

Points		
0	No matched funding will be provided (or no evidence of funds has been included)	The applicant will not be contributing funding to the total project costs and is seeking a grant for 100 per cent of costs
1	Matched funding will be contributed	The applicant will contribute to the total project costs, or the grant will enable additional investment to be unlocked

### **Climate Action**

Points		
-1	The project negatively impacts the council's climate objectives.	The project has a detrimental effect on the local environment. This could include destruction of green space and wildlife habitat, wider increase in greenhouse gas emissions, or commitment to use of non-energy efficient equipment and processes.
0	The project has a neutral impact on the council's climate objectives	The project has a limited effect on the council's climate objectives, such as benefits being mainly limited to increased energy efficiency, and provides limited evidence of carbon reduction.
1	The project will have a positive impact on the council's climate objectives	The project will positively impact the council's climate objectives, such as reducing carbon emissions to achieve net zero, benefitting nature recovery, encouraging active travel, or improving public facilities (such as EV chargers for public use).