



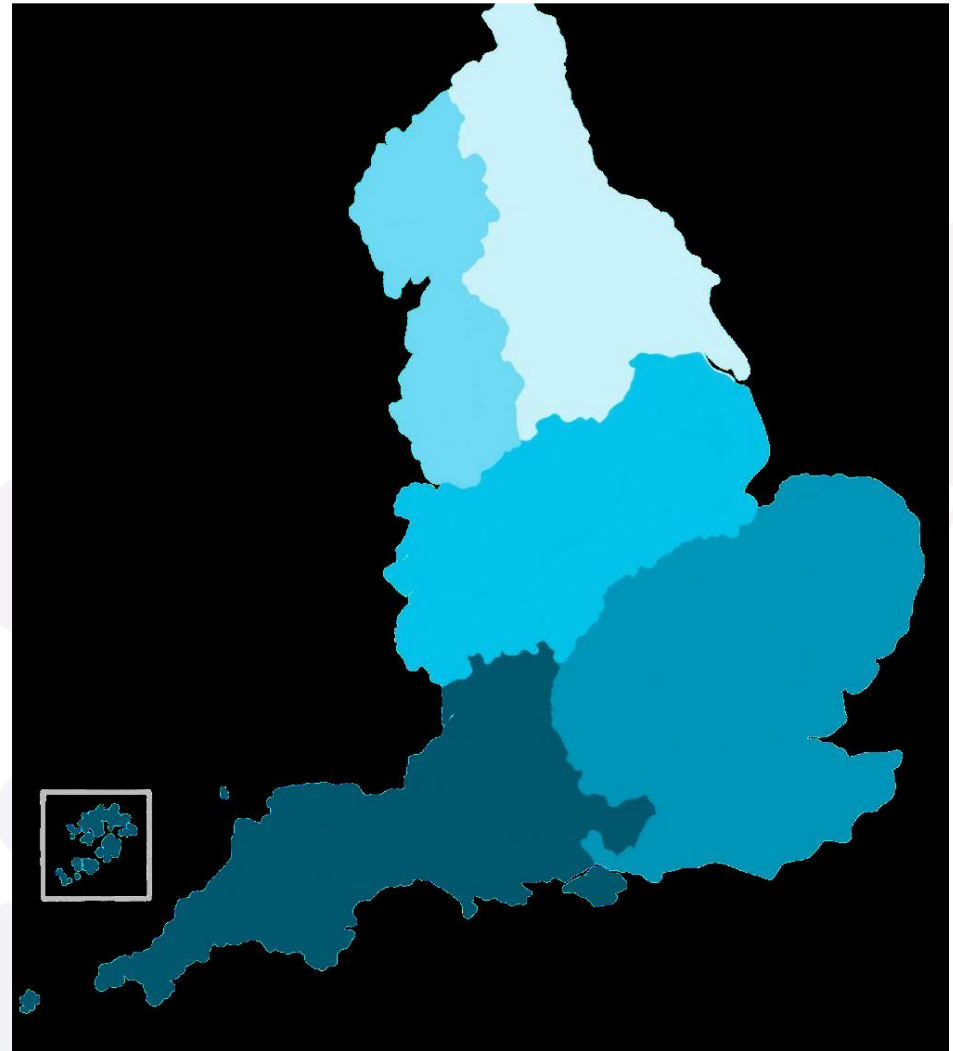
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Net Zero Hub

The Community Energy Fund

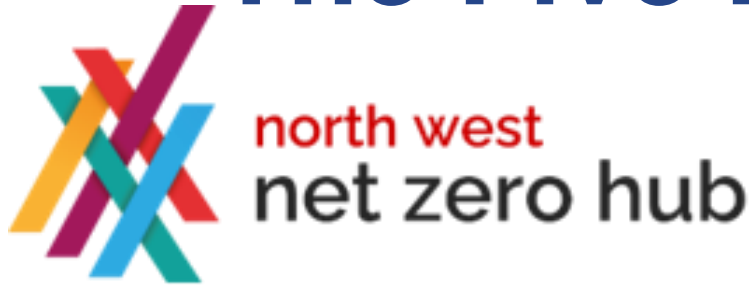
CEE Webinar Oct 23

The Net Zero Hubs

- Set up in 2018 by BEIS (now the Department for Energy Security & Net Zero)
- Increase the number, quality, and scale of *local Net Zero projects*
- *Develop and support* Net Zero programmes like CEF
- Support *knowledge transfer*
- *Raise local awareness* of opportunities for and benefits of local Net Zero investment



The Five Net Zero Hubs



www.localenergynw.org



www.neynetzerohub.com



www.midlandsnetzerohub.co.uk



www.swnetzerohub.org.uk



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www.gsenetzerohub.org.uk



What is the Community Energy Fund?

The Community Energy Fund (CEF) is a £10m grant scheme for urban and rural communities to develop community energy projects,

These include local renewable and low carbon energy projects (such as wind farms, hydro power and rural heat networks, community electric vehicle projects (such as electric vehicle charging points and electric car clubs) and energy efficiency retrofit projects (where there is a business model for a sustainable service).

The CEF funds are for community-based organisations, which are developing projects for the benefit of the local community.

Funding is for the development of projects from concept to investable scheme, including the launching approaches to community fund raising.

It cannot provide capital funding for the installation of projects themselves.



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What are the Aims of the Community Energy Fund?

The aims of the fund are to:

1. Increase the level of community and locally owned renewable and low carbon energy assets to make progress towards the Government's net-zero carbon emissions targets
2. Support communities by helping them to reduce energy costs or generate income through community owned energy assets, reinvesting income locally, or services to reduce energy demand.
3. Promote growth through the creation of jobs and volunteering opportunities in the communities where projects are located.

The fund will achieve its aims by removing barriers to investment that are currently preventing the development of community-scale projects.



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Timescales and Budget

- CEF is expected to open in November 2023.
- The first application panels will take place no later than January 2024. Please keep an eye on your local Hub's website, or sign up to its mailing list, for any deadlines and further rounds.
- The fund will run through to March 2025.
- Each of the 5 Hubs has £2million each to distribute.
- £1million of this is available in yr1 (Nov 23-March 24)
- A further £1million is available in yr 2 (April 24-March 25)



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What are the Funding Stages?

Stage 1 – up to £40,000 grant funding

Stage 1 grants can pay for professional support to scope project feasibility:

- Basic technical feasibility assessment, including grid connection
- Landowner agreement (Heads of Terms)
- Community engagement
- Public body stakeholder engagement
- Scoping planning issues
- Scoping need for permits, licences and consents
- Finance and business model development
- Project management
- Sharing learning with other community applicants



What are the Funding Stages?

Stage 2 – up to £100,000 grant funding

Stage 2 grants are available for projects that have been found to be feasible, with a good chance of securing planning permission and being implemented, to cover activities such as:

- more detailed investigation of the relevant technology
- planning applications and associated surveys.
- advanced landowner agreements
- development of a robust business case to attract sufficient investment.



The Application Process

- Get in touch your Net Zero Hub early on.
- Complete a pre application form/
- Work on your project idea with Hub.
- Submit application form with supporting documents by funding round deadline.



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Differences from RCEF

- Urban areas and groups in cities are now eligible.
- Groups can undertake their own project management internally.
- Groups can undertake pieces of technical work paid for by CEF if they have the appropriate skills and can demonstrate a fair market rate.
- More open to innovative technology and business models (i.e. grid flexibility services, car clubs) BUT please discuss with your Hub before applying.



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The Application Process

Before applying:

- Applicants must already be incorporated as an eligible organisation (see below).
- You must have undertaken some initial community engagement.
- You should have a specific eligible technology in mind.
- For asset-based projects, you should have a specific site(s) under consideration.
- If relevant, you should have had an initial conversation with your Local Planning Authority about your project concept (formal advice is not required at this point).
- You should support your bid with a minimum of three quotes for the work for which you are seeking funding, or explain why has not been possible.



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Applicant Eligibility

Applications must be led by legally constituted voluntary, community and social enterprise organisations in England only. Eligible incorporations types are as follows:

- Charitable Incorporated Organisation (CIO)
- Community Benefit Society (CBS or Bencom)
- Community Interest Company (CIC)
- Co-operative Society
- Development Trust
- Pre-Commencement Society
- Registered Charity (including eligible faith groups, sports clubs, etc.)
- Registered Social Landlord (see paragraph below on local authorities)
- Registered Society
- Town or Parish Council



Applicant Eligibility

To be eligible to apply to the CEF, applications must be from eligible organisations and projects proposals should ensure at least 50% community ownership and must benefit the local community in their final project.

For this fund, 'community ownership' should ensure that people living locally to the project have the opportunity to influence decisions about the asset's management and/or distribution of benefits – for example, via an accessible membership that gives them voting rights.

Ownership models should ensure that a reasonable share of 'community benefit' flows to the local community. However, investment in the project may be raised from the wider community, such as through a national share offer, and benefits can also accrue to those other parties (i.e. through interest payments on their shares).



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Project Eligibility

The following technologies are eligible for funding:

- Anaerobic digestion
- Biogas heat network
- Bio liquids/gas/fuels
- Biomass heat network
- Electric vehicle infrastructure (publicly available, incorporating generation/storage)
- Heat pumps
- Heat pump-fed heat networks (e.g., heat zoning for a village)
- Hydropower
- Solar (photo voltaic)
- Solar (thermal)
- Wind power
- Battery storage
- Other on a case by case basis, please get in touch early.



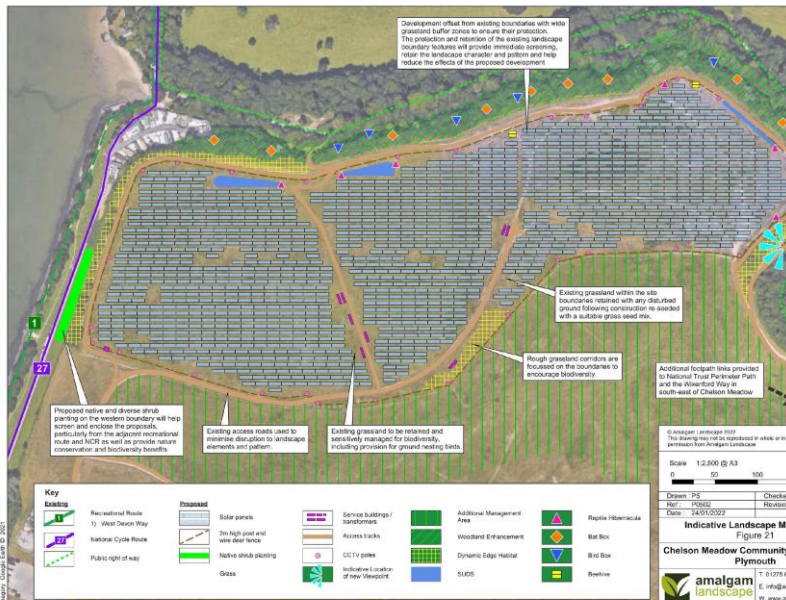
Case Study – Derbyshire Dales



Case Study – Chelson Meadow Community Solar



- 13MW Solar Farm
- Joint Venture with council
- VPPA potential
- Planning approved. EPC Contactor appointed.



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Case Study – Gamlingay Community Wind Turbine



- A 330kW wind turbine.
- Funded by local residents and businesses.
- Supplies power to the national grid.
- Gives 10% of net income to Parish Tithe Fund.

Case Study – Waterside Community Hydropower

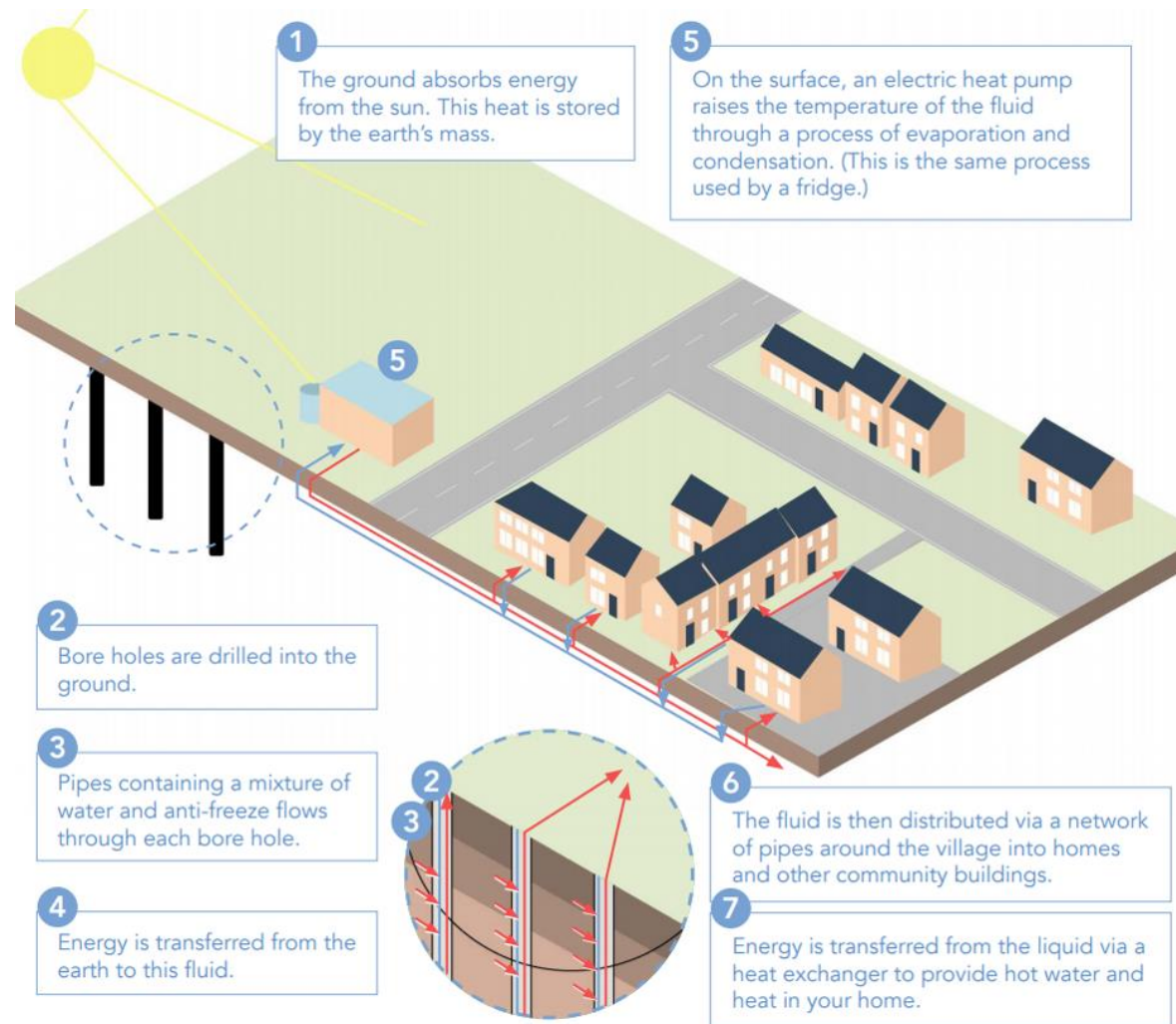
Waterside Green Energy

- Applied to RCEF and completed a stage 1 study.
- Looking at a hydro turbine at a weir on the Gt Ouse.
- Support from Energy Hub to review grid connection options.



Case Study – Renewable Heat Networks

- Can include Ground Source Heat Pumps, Air Source Heat Pumps, Biomass and Solar
- Swaffham Prior
- One off home connection fee £1,000
- Annual service charge depending on size of home. (£262-£472)
- Heat metered at 5.15p/kWh
- First homes to be connected in March 2022



Net Zero Hubs CEF Emails



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Q&A

CEE Webinar Oct 23



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