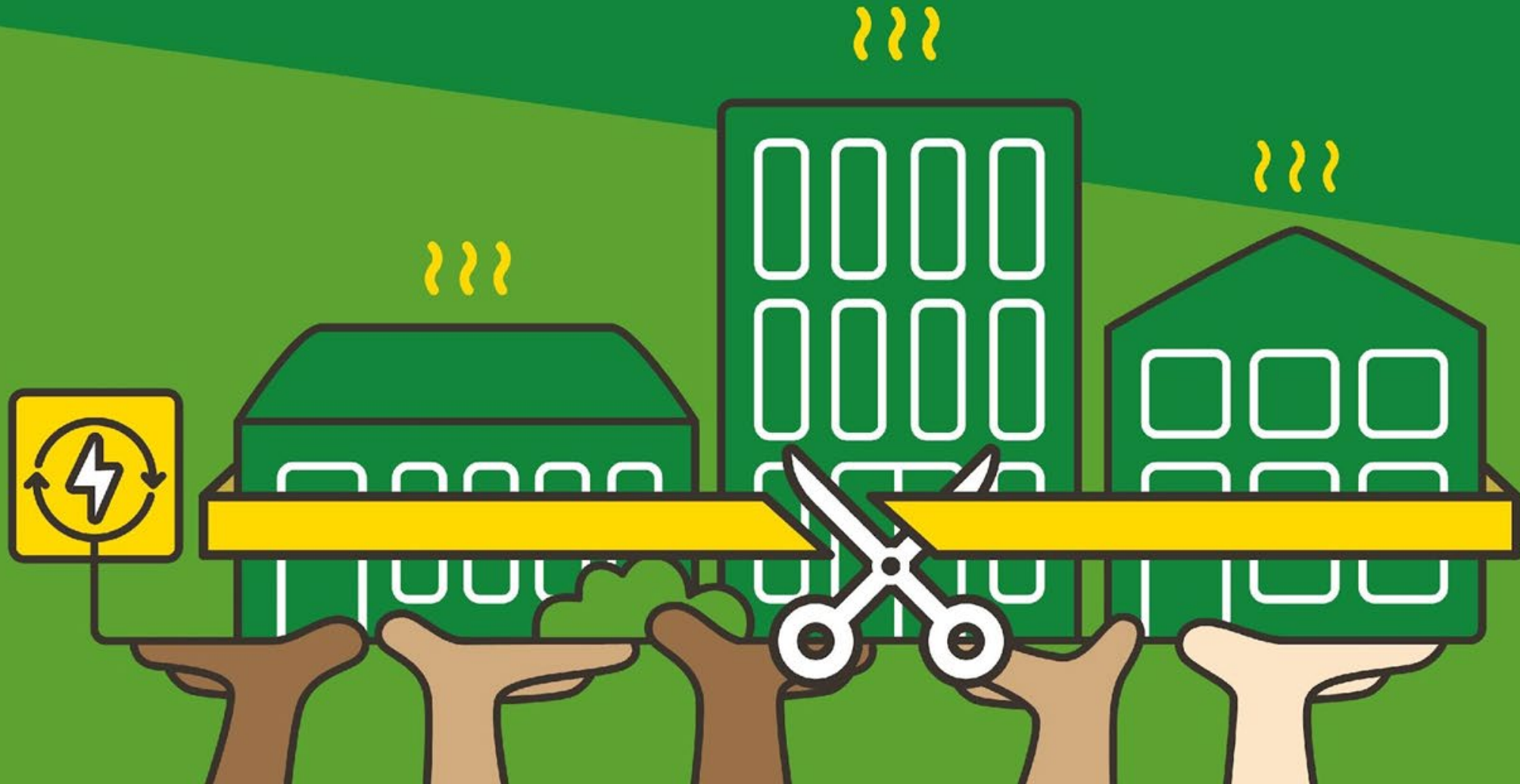




VCSE  
ENERGY  
EFFICIENCY  
SCHEME



Funded by  
UK Government



# VCSE Energy Efficiency Scheme

Helping voluntary, community and social enterprise organisations (VCSEs) across England to deliver more efficient services for people and communities by saving money on their energy bills.

**The scheme is now open and organisations are encouraged to apply as early as possible. The scheme will close to Independent Energy Assessment (IEA) and capital grant applications in August 2024.**

Groundwork UK are a national charity, who support local communities through local delivery and the administration of grant programmes on behalf of the private sector and government departments.

[www.groundwork.org.uk/vcseenergyefficiency/](http://www.groundwork.org.uk/vcseenergyefficiency/)

# What we will cover today

- Overview of the scheme, key dates and what is available
- **Eligibility**
- How to apply for the cost and delivery of an **Independent Energy Assessment (IEA)**
- How to apply for the **capital grant**
- **Top tips** for grant applications
- Your questions

Useful links: [programme guidance](#) and [FAQs](#)

Contact the helpline: [ees@groundwork.org.uk](mailto:ees@groundwork.org.uk) / 0121 237 5894

# How the scheme works



# Key dates

- **Eligibility checker and IEA open now**
- **3 capital grant rounds:**

Round 1: Opens 18th January 2024. Closes 12pm 29th February 2024

Round 2: Opens Mid April 2024.

Round 3: Opens Early July 2024.

**For the best chance of securing a grant, organisations are encouraged to apply as early as possible.**

- **The scheme will close to IEA and capital grant applications in August 2024.**

**Funds must be spent and projects completed by March 2025**

# Who can apply for an Independent Energy Assessment (IEA)

- A single applicant with charitable, benevolent or philanthropic purposes, and one of the following legal statuses:
  - Charitable Incorporated Organisation (CIO)
  - Community Interest Company (CIC)
  - Community Benefit Society (CBS)
  - Unincorporated Organisation
  - Co-operative society
  - Company Limited by Guarantee (CLG)
  - Company Limited by Shares (CLS)
  - Trust
- If your organisation distributes surpluses to individuals such as members or shareholders, you must have an asset lock and reinvest a minimum of 51% into charitable, benevolent, or philanthropic purposes.
- Based and operating in England
- Delivering frontline services or managing a building as a hub that delivers multiple frontline services
- Able to evidence a need for energy efficiency support
- Financially sustainable and likely to continue operating for the next two years
- You must have considered whether repayable finance (a loan or 'blended finance' which is a blend of grant and loan) could be an appropriate method of funding your energy efficiency measures, and concluded that it is not appropriate for you at this time.

## Are you able to take on a loan or blended finance from other schemes?

You are only eligible to apply for this scheme if your organisation is **NOT** suitable for loans or blended finance to fund energy assessments/audits or capital measures through other schemes.

Financial or organisational constraints may mean you can't take on debt - these could include:

- **Restrictions in governing documents**
- **Financial health:** Uncertain future cashflow and revenue streams or concerns about repaying a loan. Your organisation may have already taken on debt and feel that taking on additional financial obligations could strain financial resources.
- **Low likelihood of securing repayable finance:** Poor/no credit history or few/no assets (such as premises) which you could use to borrow against.
- **Product:** The energy efficiency measures you expect to implement may not generate an income or cost savings sufficient to pay off a loan, so might not be suitable for this form of finance.
- **Organisation capacity:** No capacity to get skilled up in this space right now.
- **Business management:** Lacking the time, resources or expertise needed to develop business plan, or establish systems etc.

## Additional eligibility criteria for the capital grant

- **Operating for a minimum of two years**
- Have an **independent energy assessment** identifying the capital energy-saving measures you wish to apply for
- Evidence that the energy efficiency measures will enhance financial resilience/support frontline services delivery
- Financial plan aligned with the payback period
- Own the building or having two years + left on your lease (plus documents evidencing this)
- Building owner's permission to carry out the capital works (completed Building Owners Permission Form)
- Have obtained or applied for any relevant permission for the improvements. E.g. copies of planning permission, environmental licenses, etc.
- Ensure your costings are robust and realistic in your application form. If you are awarded funding, you will need to obtain three different quotes from builders/energy professionals outlining the costs of the improvement or run a tendering process.
- Projects can be delivered with all funds spent and projects completed by **March 2025**



# Who can't apply to the scheme?

## Ineligible organisations

- **Educational institutions:** e.g. schools, colleges, and universities
- **Statutory healthcare facilities:** e.g. hospitals, clinics, and healthcare centres
- **Other statutory organisations:** e.g. local authorities, town and parish councils

## Ineligible buildings

- **Religious buildings primarily used for worship** e.g. churches, mosques, temples.
- **Organisations applying for domestic buildings** e.g. those occupied for personal domestic use by one person or family

# Prioritisation criteria for IEA

It is likely that there will be more applications than can be funded. If this happens the following criteria will be used to assess eligible applications:

- 1. Organisations directly supporting individuals and communities with critical needs**, particularly those related to the rising cost of living. Examples include:
  - Services that address poverty, including by providing food, warmth, emergency supplies or personal grants
  - Shelter, accommodation and housing for those most in need
  - Advice services for people experiencing financial, housing or legal challenges
  - Services that address specific physical and mental health issues (such as disability, addiction and dementia)
  - Education, training and employment services that improve employability
  - Community hubs or centres, out of which a number of these services operate
- 2. Organisations for whom energy is the biggest concern**
  - Highest proportion of total expenditure spent on energy >5%
  - delivering frontline services that are particularly reliant on energy
- 3. Micro, small and medium-sized organisations <£1m**

# Additional prioritisation criteria for capital grant

It is likely that there will be more applications than can be funded. If this happens the following criteria will be used to assess eligible applications:

## 4. Projects that have the best value for money, as evidenced by:

- **Capital measures that will make the largest cost savings** [proportionate to an organisation's overall expenditure and grant amount requested]
- **Capital measures with the shortest payback period** i.e. how long it will take for the measures to pay for themselves through savings
- **Description of the impact the savings will have on the organisation and its delivery of services.**
  - How will the energy cost savings be used to deliver or improve your frontline services
  - What are the positive impacts on your beneficiaries

# The eligibility checker

- Needs to be completed so you can apply for the IEA and capital grant
- If circumstances change you can take the eligibility checker again
- If you already have an IEA this will test your eligibility for a capital grant
- Questions relate to the eligibility criteria and the information you will need to provide in the application stages
  - E.g. Are you an individual organisation established for a charitable, benevolent or philanthropic purpose (You will need to provide a copy of your governance document with your application)
- 7 questions for IEA and you will then get a link to apply for the IEA
- 12 questions for capital grant

[groundwork.org.uk/vcseenergyefficiency-apply/](https://groundwork.org.uk/vcseenergyefficiency-apply/)

Questions?



# Independent Energy Assessment (IEA)

- Comprehensive evaluation of your building's energy usage, efficiency and potential for energy savings
- Conducted by a qualified and experienced independent energy assessor
  - Gather data on costs and energy usage
  - Look at your existing systems
  - Provide recommendations
  - Estimate savings
  - Outline an action plan
- Mostly in person, occasionally carried out virtually
- Team of assessors will carry out IEAs between January and October 2024
- Receiving an IEA doesn't guarantee success for the capital grant but will still provide useful information to reduce your bills
- Please note that if you are unsuccessful you will be unable to reapply

**You will be provided with a link to apply for an IEA when you complete the eligibility checker**

# IEA application process



Application submitted



Groundwork assessment



Panel decision



Successful email



Unsuccessful email



Energy assessor assigned and will get in touch within 2 weeks to arrange assessment

# IEA application checklist

- Lead contact and second contact's details
- Information about your organisation and building
- Your organisation's governing document e.g. Constitution, Memorandum and Articles of Association
- Your organisation's latest accounts
- Your building's energy bills from 1<sup>st</sup> October 2022 – 30<sup>th</sup> September 2023
  
- **Apply early** – this will mean you have sufficient time for the assessment to be completed and for you to have enough time to apply for a capital grant, should you choose to do so
  
- If you already have an IEA that has taken place less than two years ago and meets the criteria below, you may be eligible to apply directly for a grant
  - IEA that identifies capital energy efficiency measures,
  - Includes potential cost savings,
  - has been completed within the past two years conducted by a qualified and experienced independent energy assessor.



## Describe how your organisation supports and meets the needs of people or communities through the services it delivers?

- There are specific questions that will ask for data e.g. how many service users you support
- You also need to provide information such as:
  - who you support
  - what services your organisation provides
  - how your services address cost of living issues
  - any partnership working
  - how you involve the community in delivery or design of services
  - what positive impact you have and if that is evidenced
  - any new or creative ideas you've put into practice
  - how easily accessible your services are
  - what you're doing to improve continuously
  - any future plans you have to increase services or reach more people
- This information will be used to prioritise applications if the scheme is oversubscribed so it is important to write a strong answer

# Calculating your energy costs

Organisation's expenditure	Total
Energy costs	£20,000
Water	£750
Staff costs	£71,520
Repairs and maintenance	£1250
Telephone/Internet	£3500
Project/activity materials	£1000
<b>Total expenditure</b>	<b>£98,020</b>

**What percentage of your organisation's expenditure/outgoings is spent on energy costs:**

(organisation's energy costs ÷ organisation's total spend) x 100

In this example:

$(£20,000 \div £98,020) \times 100 = \mathbf{20\%}$   
(20.4%)

## Demonstrating the impact of increased energy costs

**How has the increase in your energy costs affected your frontline service delivery and how reliant on energy are your frontline services?**

- Have you had to lower the quality, frequency or number of services you offer.
- Describe these changes and provide numbers, if possible, to show the extent of these changes in service delivery.
- Describe how your organisation is particularly reliant on energy e.g. vulnerable client group who need to keep warm, but large rooms, high ceilings, reliant on high energy use etc.

**How has the increase in your energy costs impacted your organisation's financial health?**

This might include:

- staff reductions,
  - financial reserve depletion,
  - investment in energy efficient alternatives
  - reduced service offering
- This information will be used to prioritise applications if the scheme is oversubscribed so it is important to write a strong answer

Questions?



# Capital grant

- Grants can be used to install capital energy efficiency measures, identified in your IEA, to reduce your building's energy costs.
- You need a satisfactory IEA to apply for a Capital Grant
- You can apply for a grant of between £2,000 and £150,000
- Cost savings should be used to support the delivery of your frontline services
- Please note that if you are unsuccessful, you will be unable to reapply

## Examples of energy efficiency measures

- **Building fabric enhancements** e.g. efficient glazing, insulation and thermal doors
- **Space and water heating measures** e.g. smart building management systems or efficient boiler/heating (HVAC improvements)
- **Lighting** e.g. lighting controls and occupancy sensors
- **Renewable energy measures** – e.g. solar panels
  
- Other capital measures, by exception and proven to make significant reductions in energy
- Minor capital works to support installation may be covered, assessed on a case-by-case basis
  
- **Capital measures must significantly reduce energy bills**
- **Ideally <7 years payback period**

**More information- including further detailed examples can be found in the FAQ and programme guidance**

# Capital grant checklist

- Details of the energy efficiency measures you are applying to us for including their intended impacts and robust costings (using the template provided).
  - What are the expected benefits e.g. reduced energy consumption, lower utility bills etc.
- A copy of your IEA report
- A risk assessment for your project (using the template provided)
- A plan of works for the energy efficiency measures you are applying for (using the template provided)
- A financial plan aligned with the payback period for the Energy Efficiency measures you are requesting funding for (using the template provided)
- Provide a timeline for when you expect the cost-savings to offset the initial investment
- A signed Building Owner Permission form if you do not own the building (using the template provided)

If you haven't applied for an IEA through the scheme you will also need to provide:

- Lead contact and second contact's details
- Information about your organisation and building
- Your organisation's governing document e.g. Constitution, Memorandum and Articles of Association
- Your organisation's latest accounts
- Your building's energy bills from 1<sup>st</sup> October 2022 – 30<sup>th</sup> September 2023

## Additional support available

- If successful in receiving a capital grant, you may be able to receive support for the delivery of your project from a capital enabler
- Offered to organisations with greatest support needs
- Assessed based on your capacity, experience and complexity of your project





# Top tips for completing your IEA or capital grant application

- The Lead contact should be able to talk about your organisation and building and provide further information if required
- Make sure you have a second contact that can be contacted if the lead contact is absent
- Make sure both leads are a senior contact for your organisation (for example, Director, CEO, Treasurer, Company Secretary, Manager)
- Make sure contact details are correct and that any changes to contact details are communicated
- You can work on the application at different times, but it cannot be submitted until all sections are complete
- **Save your application regularly.** If it is open but not active for 2 hours you will be logged out and could lose your progress

## Top tips for completing your IEA or capital grant application

- Provide detail about the services that you deliver – particularly those directly supporting individuals and communities with critical needs, related to the rising cost of living
- Tell us how regularly those services are delivered, e.g. daily, weekly
- If you manage a hub – make sure you tell us what services are delivered from the hub even if delivered by other organisations
- Explain what impact rising energy costs are having on your organisation and how your delivery has been affected
- Only tick the demographics boxes if 75% of your beneficiaries share those characteristics e.g. if 75% of the people you support are women you would only tick women and girls (1 box) if 75% are women under 25 you would tick 2 boxes: women and girls and young people
- If your work is not targeted at a specific demographic, tick ‘not targeted’
- If you manage more than one building, you must submit a separate IEA application for each building. The application asks you specific information about the building that you require the IEA for.

# Strengthening your application

Remember if you are unsuccessful, you will not be able to reapply.

- **Be prepared:** have all the information you need to hand about your organisation and supporting documents
- Make use of any templates provided
- **Be clear and show us the evidence:**
  - Assume that those reading the application know nothing about your organisation.
  - Can you get someone who doesn't know your project in detail to read it and point out anything they don't understand?
  - Explain clearly WHO, WHAT, WHERE, HOW, WHEN.
  - Be as specific as possible. Instead of writing 'enormous impact' or 'lots of people', use data you have collected to support your statements. If possible, include both quantitative data (stats) and qualitative data (quotes from the people you support).
- **Know the fund:** read the programme guidance, eligibility criteria and FAQs
- **Leave enough time:** remember you can only apply once

Questions?



# Next steps

- Take a look at the programme guidance and FAQs: [groundwork.org.uk/vcse-programme-guidance/](https://groundwork.org.uk/vcse-programme-guidance/)
- Complete the eligibility checker for IEA or capital grant
- If you have any questions, contact [ees@groundwork.org.uk](mailto:ees@groundwork.org.uk) or call 0121 237 5894