



# Southwark Community Energy Fund Prospectus

Introduction .....	2
Fund objectives.....	2
What is community energy?.....	3
Who can apply? .....	4
What will the fund cover? .....	4
How much funding will be available? .....	5
Partners and partnership bids.....	6
Application requirements: how to apply .....	7
Assessing applications.....	8
Funding terms and conditions.....	9
Case studies .....	10

# Introduction

Since declaring a climate emergency in 2019, we have been taking urgent action to reduce carbon emissions in the borough. Our ambition is for the whole borough to become carbon neutral by 2030. The council is directly responsible for around 12% of emissions and so while we are working hard to reduce these, it is also important for us to support our residents and communities to take action in their neighbourhoods so that together we can all create a net zero borough.

We have launched the Southwark Community Energy Fund (SCEF) to help do this. The fund will distribute grant funding to community energy projects that will help reduce carbon emissions at community buildings. The fund will provide support for schools, faith groups and community groups to come up with and deliver green and innovative projects.

Funding will be distributed by the council to eligible groups that are either based in Southwark or who work in Southwark, to deliver projects.

More information on what type of funding is available, and who is eligible is included in the rest of this document.

## Fund objectives

The SCEF has five key objectives that will deliver community energy projects and empower the community energy sector within Southwark:

### **Objective 1: Fund community energy projects that reduce carbon emissions and provide benefit to the community**

Projects must demonstrate a strong climate action focus by reducing local carbon emissions, and take an inclusive approach to supporting communities by helping them to reduce the energy bills of community buildings and maximise the income generating potential of local renewable energy. There is the opportunity to pioneer and trial innovative low and zero carbon technology and mechanisms.

### **Objective 2: Build the capacity of existing community energy groups and support the creation of new community energy groups in Southwark**

The fund will support and stimulate existing and new community energy groups across the borough and support opportunities for links and networks between community energy groups

and our community. The fund will harnesses local passion, expertise and investment, and seek to improve carbon literacy and tackle fuel poverty.

### **Objective 3: Create a pipeline of community energy projects that can then proceed with further capital funding**

Developing a pipeline of future capital projects is critical to building capacity and resilience in the Southwark community energy sector. This will unlock further future funding by proving 'seed funding' to make projects more financially viable and encourage community share offers. For example, £1 spent on feasibility can unlock three to ten times more funding through implementation. Our fund will join the range of available capital funding sources including London Community Energy Fund (Greater London Assembly) and community share offers.

### **Objective 4: Ensure the fund promotes equality, delivers social value and a just transition for our residents.**

We will require good governance to ensure that the projects and groups that are funded match the diversity of our community and are located throughout the borough

### **Objective 5: Ensure the fund works to expand the democratic and co-operative economy within Southwark.**

We will facilitate the transfer of knowledge and skills to and within the community. In turn this will help to ensure the community energy sector in Southwark is sustainable, and identifies new sources of funding and re-investment into community energy projects.

## **What is community energy?**

Community energy projects are community-led renewable energy projects which reduce energy demand or increase energy supply to local communities and are wholly owned by the community or through partnerships. It is typically a renewable energy scheme which is invested in by the council and/or local people to generate renewable energy and a financial return on investment.

Community energy projects place a strong emphasis on local engagement, leadership, and ownership. They strive to ensure that the entire local community benefits from the outcomes. Community-led action allows these projects to tackle challenging energy issues with an in-depth understanding of the local area, bringing people together for a common purpose. By supporting community-led initiatives, this fund will contribute to a more sustainable and environmentally friendly future for Southwark.

# Who can apply?

The Southwark Community Energy Fund is open to all groups with charitable or not-for-profit aims which are based or work within Southwark, and would like to carry out an energy related project.

We welcome applications from community groups who have not been involved in energy projects. You do not have to be an energy or environmental group.

Groups which will be able to apply includes:

- Existing community and voluntary groups who wish to do energy projects
- New and existing Community Energy Groups (CEGs)
- Community Interest Companies (CICs), Community Benefit Societies (CBSs), Cooperatives, or similar
- Registered tenants' and residents' associations, or tenant management organisations charities
- Schools
- Faith groups
- A group of residents, or neighbours who wish to form a community energy group or cooperative

Other organisations could also be considered if they are a properly constituted organisation, with a registered address in England. If you are unsure if your group is eligible, please contact us at [communityenergy@southwark.gov.uk](mailto:communityenergy@southwark.gov.uk)

Organisations seeking funding must have a bank account. If applications are submitted by a consortium or partnership of groups, then the lead applicant must have a bank account.

# What will the fund cover?

Funding available through the funding streams can cover costs relating to a project or activity including:

- pre-feasibility or feasibility studies (e.g. to fund initial assessments of your building or to develop a project idea)
- capital costs (to support the cost of a renewable installation or deep retrofit)
- core costs (e.g. consulting fees, staff or office costs to support the project, but not for general staff or office costs)
- project costs (e.g. venue hire, project worker)
- project management costs

Projects must aim to deliver the fund objectives listed above. Projects should be something that an organisation would not do as part of their general day-to-day activities. Items which are

day-to-day maintenance (such as replacing lighting with LED) will not be considered, unless it is a small part of a much larger project.

We hope to see a wide variety of innovative ideas coming forward. This does not however mean that an established project that fits with the core aims of the fund would not be offered financial assistance. Innovation does not necessarily mean using new technology. It can also mean 'thinking outside the box' to create a project that uses existing technology in a new way, or shows that your group is trying to bring new methodologies to a project. It must be thinking of a new idea or way of doing things that actually works in practice.

Please contact [communityenergy@southwark.gov.uk](mailto:communityenergy@southwark.gov.uk) for guidance if you are unsure about your project idea.

# How much funding will be available?

Southwark Community Energy Fund is split into four streams of funding with grants available in each stream. The scope of the streams ensure that each stage of a project will be considered for funding.

It is expected that the majority of the grants will be used for capital funding costs.

## **Stream A – Pre-feasibility development**

Amount available: up to £5,000.

A pre-feasibility study is an early screening aimed at identifying the most promising renewable or retrofit idea(s) and the suitability of technologies prior to business case development. This process reduces the number of options that are then chosen to proceed to a more detailed feasibility study and eventually capital delivery. This ultimately saves time and money.

Funds to be spent within one year.

## **Stream B – Feasibility studies and business case development**

Amount available: up to £15,000.

The purpose of the feasibility stream is to fund short-term activities that are working towards the capital stage of a project. This stream unlocks the development of community energy projects by removing financial barriers to project feasibility. Feasibility studies can be funded partially or in full.

Funds to be spent within one year.

## **Stream C – Capital projects**

Amount available: up to 33% of the total cost of the project, limited to £50,000 per project. Full or part funding the cost of solar installation projects up to a peak output of 20 kilowatts (kWp).

The purpose of the capital stream is to fund projects that have completed feasibility studies. Applicants could apply for a contribution to the capital cost of their project or for the full cost depending on the project.

Funds to be spent within two years.

## **Stream D – Capacity building for new community energy organisations, training, awareness events and engagement**

Amount available: up to £20,000, depending on type.

This is a broad stream that will fund a variety of community energy projects. In order to make Southwark carbon neutral by 2030 and to tackle fuel poverty, it is essential that Southwark residents from all backgrounds have the opportunity to participate in community energy projects. More projects will increase awareness and encourage behaviour change to reduce energy demand and emissions. We recognise that increasing the capacity of the Southwark community energy sector and establishing new community energy groups can take time, particularly through grassroots development. This stream offers the opportunity to ‘seed’ or support new community energy groups, and we encourage partnerships and collaboration for this.

Funds to be spent within two years.

# Partners and partnership bids

We welcome applications from experienced energy and environmental groups, and from community groups that want to start carrying out energy-related projects. When assessing applications from partnerships we will be looking for evidence that it is a genuine partnership. Applications should demonstrate meaningful leadership and control over project development delivery by a particular community partner.

We work with a number of community organisations who can provide expertise, guidance or assistance to help you with your application.

Below is a list of existing community energy groups:

- [Community Energy London](#)
- [Repowering London](#)
- [Community Energy Connect](#)
- [SE24](#)
- [RAFT](#)

- [SE1 Solar](#)
- [SELCE](#)
- [Younity](#)

We recognise that it might be difficult to find an idea for an energy project or to complete an application form for funding. If you have an idea and are unsure who to speak to, contact us in the first instance and we will be happy to try and connect you to the most appropriate organisation for your ideas.

# Application requirements: how to apply

The application window for the fund will open on **30 October 2023** and close at **11:59** on **22 January 2024**. Please:

- Keep all descriptions in the application form as brief as possible.
- Ensure all applications have a clear set of objectives that can be measured, and be a benefit to the local community.
- Ensure all Stream B and C applications for funding demonstrate substantial carbon savings.
- List all supporting information you are including with your application and proposal. We welcome information and attachments that support your application.
- Include a realistic and worked-out project plan, with a comprehensive delivery timetable, responsible parties for management and delivery, stakeholders, and clear and detailed implementation strategy. You must also include a section of the anticipated risks of project delays or challenges, and how this will be mitigated.
- Outline how the long-term sustainability benefits of the project will be maintained after the project has been delivered.

Applications which have vague, uncosted or unrealistic project plans are likely to be rejected.

If you would like guidance on your application or assistance in filling in the application form, please contact us at [communityenergy@southwark.gov.uk](mailto:communityenergy@southwark.gov.uk)

Please email completed application forms as a Word document or PDF to: [communityenergy@southwark.gov.uk](mailto:communityenergy@southwark.gov.uk)

# Assessing applications

All applications will be assessed by an evaluation panel that will include delegated councillor/s and Southwark Council officers who have relevant experience and knowledge.

All applications will be evaluated and scored against the evaluation criteria for each of the funding streams. The evaluation criteria are available in the relevant application form for each funding stream and summarised below. Please read the evaluation criteria that is applicable to the funding stream that you apply for. Consider how your project will meet the criteria.

## **Stream A – criteria**

- Criteria 1: Applicant experience
- Criteria 2: Planning a successful project
- Criteria 3: Route to delivery
- Criteria 4: Additionality
- Criteria 5.1: Outcome and impact – carbon saving and next steps
- Criteria 5.2: Outcome and impact – community and jobs
- Criteria 5.3: Innovation

## **Stream B – criteria**

- Criteria 1: Applicant experience
- Criteria 2: Planning a successful project
- Criteria 3: Route to delivery
- Criteria 4: Additionality
- Criteria 5.1: Outcome and impact – carbon saving
- Criteria 5.2: Outcome and impact – community and jobs
- Criteria 5.3: Innovation

## **Stream C – criteria**

- Criteria 1: Applicant experience
- Criteria 2: Planning a successful project
- Criteria 3: Route to delivery
- Criteria 4: Additionality
- Criteria 5.1: Outcome and impact – carbon saving
- Criteria 5.2: Outcome and impact – community and jobs
- Criteria 5.3: Innovation

## **Stream D – criteria**

- Criteria 1: Applicant experience
- Criteria 2: Planning a successful project



- Criteria 3: Route to delivery
- Criteria 4: Additionality
- Criteria 5: Outcome and impact

Applicants will be notified if their application has been successful approximately six to eight weeks after the application deadline date. The evaluation panel may contact applicants before this date for any clarifications to their application.

Successful applicants will be required to provide project updates to the council through the lifetime of the project. This may also require site visits by the council.

## Funding terms and conditions

Funding granted by Southwark Council for the Southwark Community Energy Fund will be subject to terms and conditions that successful applicants will be required to agree and sign before funds are released. A grantee form that sets this out the terms and conditions, and monitoring and reporting requirements will be sent to all successful applicants.

# Case studies

## LED lighting project: Goodrich Community Primary School – Completed 2022

A total of 465 lamps and fittings were replaced with efficient LED lights throughout the school.

Local community energy group SE24 delivered this project in partnership with South East London Community Energy (SELCE). As well as a one-third capital grant from the GLA's London Community Energy Fund (LCEF), the school's Parent-Teacher Association (PTA) and Friends of Goodrich, made a substantial contribution towards project costs.

It is estimated that this LED installation will save the school over £15,000 in electricity costs per year and avoid 12 tonnes of CO2 emissions each year.



*Classroom at Goodrich Primary School with new LED lighting.*



*The roof of a hall at Goodrich Primary School with new lighting*

## Solar PV installation project : Walworth Methodist Church – Completed 2019

Walworth Methodist Church is a large building at the heart of a very diverse, local community. In addition to the church, the associated buildings are used extensively by a variety of organisations to provide mentoring, after school activities, exercise classes, adults education and outreach for older people.

This project was grant-funded with an LCEF grant covering the research and feasibility costs, and the British Airways Carbon Fund covering the capital and installation costs.

76 solar panels were installed to:

- provide cheaper, greener electricity for the church and for all the community groups meeting on the premises.
- help them shift towards renewable energy, leading the way for other churches and community groups.
- generate additional funds by selling surplus electricity to the national grid that will be used to support and maintain the Southwark Peace Garden (see picture below) which the church created in its courtyard in response to violent crime in the neighbourhood.



*Solar panels at Walworth Methodist Church*



*Southwark Peace Gardens*