

Proposal for the method of allocation and monitoring of Heart of England Community Energy Community Benefit Fund

Community Benefit Fund objectives

Heart of England Community Energy (HECE) wishes to invest part of its profits into projects or activities that provide a measurable social benefit and carbon reduction in the local communities of the South Warwickshire and nearby areas. The objectives of the community benefit fund ("the fund") are to:

- support and enable people to remove themselves from fuel poverty
- improve the well-being of socially disadvantaged people or communities

In particular, the Committee is seeking to support organisations that identify and provide support to elderly, vulnerable families and others suffering from fuel poverty with the triple goal of: reducing fuel poverty, cutting carbon emissions and improving the health of those suffering from fuel poverty, thus reducing the burden on local health providers. HECE has already started a process of trying to identify partners with a specific focus on these goals.

This paper sets out the mechanism by which HECE shall provide grant funding in order to achieve the community fund objectives.

Funding for Years 1 and 2:

The per annum budget for available grants in the first 2 years is a minimum of £30,000. In order to maximise both impact and internal learning, the Committee will seek to partner/fund a small number, ideally one or two organisations who are directly delivering fuel poverty programmes targeting people and families in need in the local community. The committee will consider multi-year funding to organisations delivering longer-term programmes.

In addition, an annual grant of £2,500 will be made to the registered charity **Solar Aid** to provide solar lights to communities in low income countries. This has an exceptionally high social impact in terms of numbers of people benefiting per £ spent (Appendix 1)

Grant Allocation Criteria

HECE will invite applications for grant funding for project partners that deliver demonstrable social value and carbon reduction in line with the fund's objectives. The Committee will favour support of existing social and community activities or projects which:

1. Have a strong track record of supporting beneficiaries in the above categories (see 'community benefit fund objectives' above)
- 2 Facilitate release of additional funding and/or an enhanced social benefit. For example, we have been informed that there are a number of existing sources of capital that can be used to leverage HECE's funding or to meet the capital cost of improvement measures, e.g. increasing referrals to British Gas Energy Trust (<http://britishgasenergytrust.org.uk/>) which provides energy upgrades to the fuel poor. This type of activity multiplies the benefit achieved per £ spent.

The Committee will review the project categories once every two years and shall, before any proposed changes are enacted, gain agreement of:-

1. The HECE board
2. Social and Sustainable Capital (SASC) whilst any loans from SASC to HECE are still outstanding.

Application Procedure

Applications will initially be sought in Q1 2018 and the Committee will determine whether to do subsequent calls for applications on an annual or bi-annual basis. Applicants will be required to submit evidence to underpin claimed impacts and demonstrate how partnering with HECE will enable them to further support people suffering from fuel poverty and social deprivation.

Periodically, the Committee will advertise grant application opportunities by various means including local networks, events, social media and other advertising. Applications supported by endorsement of an independent referee (for example, an active member of the local community) will be given priority.

A list of organisations that have already been notified or will be notified of the existence of the grant application opportunity is given in Appendix 2.

Assessment of Applications

The Committee shall nominate two members to initially review applications to create a short-list of applicants. The whole Committee, led by the chair, shall then assess the shortlisted applicants. Assessments shall take account of numbers of people expected to benefit, the nature of the benefits and where appropriate, the monetary value and or carbon savings arising from the project or activity. These shall be formed into a table for purposes of comparison of the applications.

Monitoring and Reporting

A small group of two to four persons taken from the HECE board and or the Committee will be created to oversee each project, matching skills to the project type. Individual shareholders with particular skills can also be asked to form part of these groups, but groups should contain at least one board or Committee member.

Key Performance Indicators (KPIs) will be agreed with partner organisations at the point of grant allocation. KPIs should be reported on a 6 monthly basis and provide evidence as to how a project or programme is delivering the fund's objectives.

By working through established partners, HECE can rely on grantees' own KPIs where appropriate, so long as they clearly demonstrate how the fuel poverty issue is being addressed. Where needed new KPIs will be set at the point of grant allocation.







The Committee shall review performance reports and compile the data into a report for the HECE Board once every six months. The report should contain:

The name of each project or activity to which funding has been awarded.
The amount awarded to each of the above.
The nature of the project activity.
Performance indicators and the degree to which these have been met.
Additional supporting evidence (e.g. photos) that HECE can present to its members/use on its website




Where indications of project failure arise, these must be communicated to the HECE Board immediately and if possible, action taken to support the project.

Appendix 1. Impact of £2500 donation to Solaraid.

THE IMPACT OF YOUR £2,500 DONATION

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|---|--|--|
|  <p>2,720 people reached with solar light</p> |  <p>£90,700 saved collectively by families</p> |  <p>An estimated 663.2 tonnes of CO₂ emissions averted</p> |
|  <p>628,680 extra hours study for children</p> |  <p>1,334 people experiencing better health</p> |  <p>Safer homes with reduced risk of fire and burns</p> |

*calculated over the conservatively estimated 3 year lifespan of a solar light



Appendix 2 Organisations notified about the grant application opportunity

We expect to support only a small number of applicants from amongst the following

1. Already Notified *

South Warwickshire Foundation Trust

Public Health Warwickshire/Act on Energy

South Warwickshire Clinical Commissioning Group

The Hub at Henley

* These have been notified but they will be contacted again when this document is fully agreed.

2. To be considered for contact

Age UK

Citizens Advice Bureau Warwick & Stratford

National Energy Agency

North Cotswold Community Awareness

Warwickshire Community and Voluntary Action