A photograph of two white wind turbines in a green field under a blue sky with light clouds. Power lines are visible in the foreground, crossing the scene diagonally.

TECHNICAL ASSISTANCE FOR COMMUNITY ENERGY – ENERGY AUDITS

**GUIDANCE DOCUMENT FOR
TECHNICAL ASSISTANCE FOR
COMMUNITY ENERGY - ENERGY
AUDITS**

TECHNICAL ASSISTANCE FOR COMMUNITY ENERGY – SUBSIDISED ENERGY AUDITS

The North East and Yorkshire (NEY) Net Zero Hub works with public sector organisations, their stakeholders and communities to develop fundable net zero projects and deliver local energy strategy. We exist to accelerate the region's ambitious efforts to drive a low carbon, clean growth future.

Community energy is about people coming together to reduce energy use, purchase, manage and generate low carbon heat and power. Community energy projects are often delivered collectively by a group or an organisation with a focus on engagement, local leadership and strong positive outcomes for the local community.

The Hub recognises that the community energy sector has the potential to play a vital role in delivering local strategic priorities but that it needs support to realise this potential. The Hub is looking to provide support to community energy groups that are actively looking to address local energy needs and security with projects that deliver wider benefits for the community. As part of its offer to the community energy sector across the North East and Yorkshire, the Hub is offering to majority fund specific technical support to enable projects to commence.

Please read this guidance carefully. During funding programmes, we often receive a high number of applications that do not meet our guidance. We understand that your time is precious, so to ensure you do not waste time on an application that is not eligible for support, we strongly recommend that you read the guidance and application form before deciding to apply. If you are in any doubt that your project would be eligible, or you have queries then please do contact us (enquiries@NEYnetzerohub.com) and we will do our best to help.

WHAT WILL BE FUNDED?

During this round of bidding, community energy groups and Local Authorities working with community energy groups may bid for a consultant to complete an **energy audit for a single building or site**. Energy audits have been cited by community energy groups across the region as one of the pre-feasibility stages of development works that they require financial assistance in accessing. Energy audits would be provided on the basis of one audit per building/site. The Hub will provide 80% of the cost, with the applicant expected to obtain match funding of 20% of the cost. The Hub will manage and pay the consultant on behalf of the applicant.

WHAT IS AN ENERGY AUDIT?

An energy audit will analyse your building's existing energy consumption and building fabric. It will provide recommendations of ways that your building can be made more energy efficient to cut emissions, save energy and money and identify the most appropriate energy generation technologies and ancillary requirements for that particular building/site.

THE NORTH EAST AND YORKSHIRE NET ZERO HUB

The North East and Yorkshire Net Zero Hub (NEY) is at the centre of the region’s ambitious efforts to drive a low-carbon, clean-growth future. The NEY is hosted by the Tees Valley Combined Authority (TVCA).

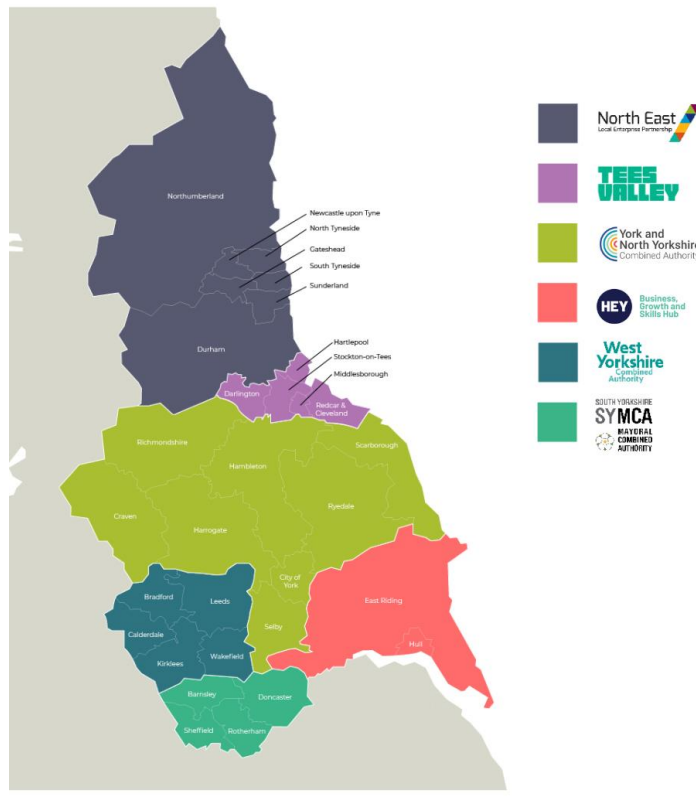
Funded by the Department for Energy Security and Net Zero, the Hub is one of five across the country, all focusing on helping the UK reach Net-Zero carbon emissions by 2050.

Our Hub combines six Combined Authorities (CAs) or Local Enterprise Partnerships (LEPs) in the region, bringing local authorities, businesses, organisations and communities together to help us achieve our goals.

A Net Zero Hub Manager oversees a team that combines thematic programmes across the whole region, with locally-based Project Managers in each of our six areas. We are driving the transition to a zero-carbon economy with ambitious energy strategy and innovative project delivery.

NEY Net Zero Hub Partners

Each Combined Authority is a full and equal partner in the Hub, with full and equal responsibility for ensuring the Hub delivers its MOU.



The energy audit consultant will be selected by the Hub following the procurement procedures set by Tees Valley Combined Authority (TVCA), as the Hub’s Host Organisation. TVCA will complete all

the contracts and payments with the consultant directly and will issue successful applicants with their invoice for match funding.

CONDITIONS

Before continuing with your application, it is important to note the following:

- Only buildings/sites situated within the NEY Net Zero Hub's geography are eligible for energy audits provided through the Hub.
- All energy audits must be completed by 30th September 2024.
- Organisations can apply for energy audits for more than one building/site; this would require a separate application for each.
- The proportion of cost that the applicant is liable for is 20% of the total cost of the energy audit. This is required to be paid directly to the Hub before the energy audit takes place.
- Please make sure you discuss your project idea with your Local Authority, with an initial conversation to make sure they are aware of your organisation and plans for the future.

ELIGIBILITY

This round of bidding for support is open to community energy groups and Local Authorities who are working in partnership with community energy groups, for example where a community energy group manages a Local Authority-owned asset.

Please note, applications must be made by an incorporated organisation with a legal personality and a bank account in the organisation's name. Applications may be made on behalf of a body or group that is not incorporated by one that is – e.g., a Local Authority on behalf of a community energy group.

SUBSIDISED ENERGY AUDITS

Organisations must clearly set out how their project will provide wider benefits for the community in order to apply for a subsidised energy audit. Applicants must answer all questions in full and ensure that evidence of match funding and compliance with UK Subsidy Control rules are provided (see below).

MATCH FUNDING AND UK SUBSIDY CONTROL

For subsidised energy audits the Hub will provide 80% of the cost, with the applicant expected to obtain match funding of 20% of the cost. Estimations based on market analysis indicate that an energy audit is expected to cost £2,000 - £4,000. It is anticipated therefore that match funding required from applicants will be in the region of £400 - £800. Organisations are required to confirm that match funding of this value has been secured when completing their application.

Eligibility of match funding may be restricted by UK Subsidy Control or terms applied to other grant funding sources. Please check with the provider if you intend to use other grant funding as match and with the NEY Net Zero Hub at enquiries@NEYnetzerohub.com. More information regarding Subsidy Control guidelines can be found in Annex A.

COMPLETING THE APPLICATION FORM

When completing your application form, please refer back to this guidance document. All of the information requested within the application form is key to the consideration of your application, and in completing the application you should be as thorough and comprehensive as possible.

Please pay particular attention to ensuring the following sections are completed fully and accurately:

- The eligibility checklist at the beginning of your application form must be completed, with all evidence and supporting documents provided alongside your application.
- Previous Funding Awards
 - You must provide details of all previous public funding awards that you have received within the last 3 years on the Sub-Threshold Subsidy Declaration Form and return a signed copy together with this application. Even if your legal entity has not previously received any form of public funding, you are still required to submit a signed declaration form back to us.
- Declaration
 - Please ensure that you have read and understood the declaration within the application form. The application is not complete until you have agreed to the declaration and provided all relevant supporting information/documentation.
- Please also ensure that you provide evidence that you have secured the applicable proportion of funding: £400 - £800 (20%) for subsidised energy audits. This could be bank statements showing the funds in your account, grant/loan confirmation, written confirmation from the funding source, etc. In acknowledgement that the exact match funding value is not yet known, this evidence could be provided on an *in principle* basis.
- If you are applying to have an energy audit to be conducted at a building/site owned by a third party, you will need to provide written confirmation that permission for the energy audit has been obtained by the building/site owner. This should be provided as supporting evidence with your application form and other documents.

Once you have submitted the application you will receive a confirmation of receipt and may be contacted again for further information or clarifications once an appraisal of the application is underway. The application form and associated documentation will be treated with the strictest of confidence. If you need assistance in completing the application form or have any questions, please contact: enquiries@NEYnetzerohub.com

Please note, submitting an application is no guarantee of success; all applications will be appraised by the Hub.

FUNDING ARRANGEMENTS

Following approval of an energy audit, applicants will sign a declaration confirming agreement to providing 20% of the cost of an energy audit. They will also be set up as a new client of the Tees Valley Combined Authority, in its role as host of the Hub, and will be invoiced for their liable match funding prior to the energy audit being carried out.

Upon receipt of match funding the Hub will arrange for the energy audit to be conducted. Applicants will not receive any monies as the Hub will pay the costs directly to the provider of the energy audit.

TIMESCALES

1. The Technical Assistance for Community Energy – Energy Audit programme will be open for applications from 01/05/2024.
2. The competition will close for applications at midnight on 02/06/2024.
3. Applications will be appraised between 03/06/2024 - 07/06/2024.
4. Applicants will be notified of the result of their application in the week commencing 10/06/2024.
5. The payment of the 20% match funding has to be paid before the audit will commence.
6. Audits need to be fully completed by 30/09/2024.

HOW TO APPLY

All documentation is published on the NEY Net Zero Hub's website: [Community Energy Support - North East & Yorkshire Net Zero Hub \(neynetzerohub.com\)](https://www.neynetzerohub.com)

All completed application forms and supporting documentation must be sent to enquiries@NEYnetzerohub.com

Any queries regarding the support or the application process can also be directed to enquiries@NEYnetzerohub.com

All applications must be received by midnight on 02/06/2024

ANNEX A – UK SUBSIDY CONTROL GUIDELINES

By subsidising energy audits, the Hub is providing organisations with Public Subsidies which are awarded under the Sub-Threshold Subsidies Aid Regulation. The Government sets the limit under which subsidies can be awarded over a 3-year fiscal period without the need to comply with the majority of subsidy control requirements – to check the current limit please see the current Government guidelines: [UK subsidy control statutory guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/uk-subsidy-control-statutory-guidance).

What is Subsidy Control?

Public subsidies are support given by the state or through state resources that provides a selective advantage to any entity regardless of legal form that undertakes economic activity (an economic actor), which can include charities. The support given by the state doesn't have to be simply a direct grant of money. It can be a loan, a tax break, or the use of something like a public building for less than the market rate.

Is the support provided through offering subsidised access to technical support counted as a Public Subsidy?

Yes. The Hub is utilising funding provided by the Government to subsidise technical support for organisations that are engaged in an economic activity (the generation of energy), and therefore the support given is deemed to be a Public Subsidy. This does not mean that this financial support can't be given, merely that it must be given using a route that is legal under Subsidy Control rules.

Sub-Threshold Subsidies

It is important to note that the Sub-Threshold Subsidy allowance is for the receiving organisation, not the project. Any Subsidy from a public body in the last 3 years counts towards an organisation's Sub-Threshold Subsidy limit. These 3 years are rolling, and therefore whenever an organisation receives a Sub-Threshold Subsidy, it will have to look back over the last 36 months to ensure the subsidies, taken together, do not exceed the Subsidy Threshold.

Applicants for subsidised energy audits are required to declare all public funding received during the previous 3 years and to specify how much of this was a Sub-Threshold Subsidy received during the previous 3 fiscal years. We therefore require applicants to complete and return a signed Sub-Threshold Subsidy Declaration Form as part of their application.

Applicants must keep records of all Sub-Threshold Subsidies paid for 10 years from the last payment (this will include payments made under the previous EU De minimis rules). Beneficiaries must keep records of the Sub-Threshold Subsidies received for 3 years and must declare this when required to do so by other grant giving bodies.

Please Note: funding recipients are responsible for ensuring that they are conforming with Subsidy Control rules. If unlawful subsidy is paid, this will be recoverable from the recipient.