

Funding Approaches for Community Energy

Sue Manson – North East and Yorkshire Net Zero Hub

There are five Local Net Zero Hubs across England – North East & Yorkshire, North West, Midlands, Greater South East, and South West

Net Zero Hubs are funded as part of the Local Net Zero Programme within Department of Energy Security and Net Zero (DESNZ) with programme funding from GBE

The Hubs aim to help develop & deliver local clean energy and carbon reduction ambitions, attract commercial investment and share models & learning

The Hub have a central team of subject matter leads and a local representative for each local area



Different Approaches to Funding Community Energy Projects

Not one size fits all - different approaches and funding for different stages, types & scales of project & types of applicant or project partnership.

- **Small projects** – e.g. single building solar, heat pumps, batteries
 - Grants, local community shares or fundraising, crowdfunding, loan payback from revenue savings
- **Medium & large projects** - e.g. multi-site, multi-technology, small & large scale community wind, solar & battery projects, local heat networks, hydro
 - Mixed funding packages (blended finance) – grants, regional funding, LA co-financing, loans, shares, bonds, private & commercial investment, Power Purchase Agreements, shared ownership.



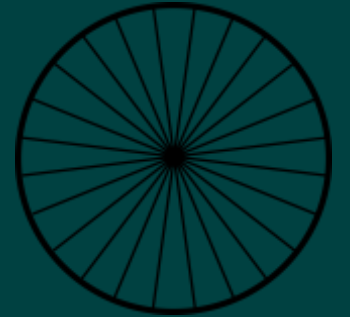
Getting Started - Don't reinvent the wheel!

- **Research & Talk to others** – are groups doing similar projects? Lessons learnt & funding routes, case studies & existing models to replicate. Local & national community energy forums / networks e.g. CEE Loomio.

Work together

- **Talk to your local council** – climate, communities, education, estates or transport teams may be interested in partnering or supporting you or know of council funding – your project may help them deliver their local & strategic plans or objectives.
- **Partner up** – with like minded groups, existing community energy groups or organisations, your local authority, businesses, energy developers etc. Bulk / collective buying opportunities?
- **Funding** – Is there a local umbrella organisation that could help pull together a collaborative project or bid? Eg community energy co-op projects eg NCEL Solar Powered Village Halls, Community Foundations, Faith organisations. Could you apply for funding for a few village halls/community buildings together?

Scope your project & funding needs – feasibility, development, installation, ongoing management/ maintenance costs.



Types of Funding

Scope available funding & criteria - funding portals & newsletters, e.g. East Riding of Yorkshire Council grant application portal. Hull 4 Funding, HEY Smile Foundation portal

- **Revenue funding** – feasibility and development work, **Capital funding** – installation phase

Grants – some revenue, some capital and some a mix

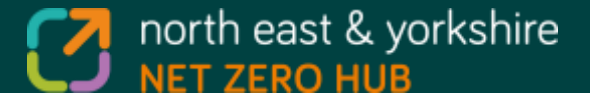
- **National government grant programmes** e.g. GBECF, GHNF, WHSHF, Workplace (EV) Charging Scheme
- **Regional government grant programmes** – eg Mayoral funds eg HEYCA Community Investment Fund- £1m of Mayoral money available to VCSE sector for revenue or capital projects, business growth funds
- **National grant funders** e.g. Trusts and Charities, Ofgem's Energy Redress scheme, National Lottery Fund, Key Fund, Greggs Foundation, Solar for Schools, Co-op etc.
- **Regional and local grant funders** e.g. Northern Powergrid Foundation, local Trusts and Charities, landfill & windfarm community funds

Types of Funding cont.

- **National & regional government programmes**
 - Regional government funding programmes e.g. infrastructure, regeneration & place based funding
 - Other Local Authority funding e.g. schools, transport, social housing, business support
- **Community shares** – local share offers, national share raising e.g. Energy4All, Crowdfunder
- **Social investment funders** – e.g. Key Fund, Energy4All, CO2Sense, Good Finance, Better Society Capital
- **Loans** – e.g. GBE – details tbc, National Wealth Fund, Key Fund, banks etc., Good Finance tool for communities.
- **Commercial investment** – e.g. pension funds, asset managers, corporate SMEs, ISAs/savings accounts, insurance funds
- **Shared ownership & Power Purchase Agreements** – e.g. LA's, community energy organisations, businesses, energy developers

Support For Community Energy

- **NEY NZ Hub Community Energy Team** - funding application support, advice, signposting, resources – templates, toolkits, workshop & webinar recording, case studies, capacity building support, PPA template
- **Community Energy Go** - free, tailored support of £1k-10k for early stage community energy projects or groups undertaking new projects including LAs. Ringfenced support for the NEY area. **EOI to apply.**
- **Community Energy England** – wealth of free resources, templates, How Tos and other helpful info. Funding list, Grant application advice & resources, case studies, Funding applications workshop recording etc
- **Northern Powergrid Community Energy Team** provide hands on support for community projects including bid writing support.
- **Energy Learning Network – Ashden** – training, webinars, peer mentoring programme (apply by 15 May 26) , Technical Helpline, resources e.g. on planning, financial modelling, partnering for funding, community retrofit, shared ownership, heat networks etc.



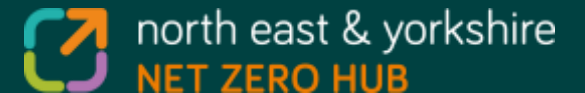
Other Support For Community Energy

- **Community Infrastructure Organisations** e.g. Community Foundations – host funding platforms, often manage multiple community grant pots, support with governance & application checking - [Forum CIO](#), [Two Ridings Community Foundation](#), [HEY Smile Foundation](#)
- **Community Energy Not For Profit organisations**, CICS & Co-ops e.g. [Energy Poverty](#), [Big Solar Co-op](#), [Energy4All](#) - supports 33 independent renewable-energy co-operatives, [Communities for Renewables](#) – development & financing
- **Local Authority Teams** – Climate, Community, Neighbourhoods, Transport & Estates teams
- **Community Share Raising** - [Community Shares | Co-operatives UK](#), [Energy4All - Supporting Renewable Energy Co-ops in the UK](#)
- **Social investment platforms** – eg, [Ethex](#)
[Net Zero Go](#) – for Local Authorities. Hosts a wealth of resources, templates, and forums including a Community Energy forum.

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Feasibility & Development Stage - Revenue Funding

Not all projects will need funding for feasibility & development work e.g. Small scale or single buildings - GBE Feasibility template for aspects to cover.

Funding

- **NEY NZ Hub - Great British Energy Community Fund (GBECF)** – managed by the NZ Hubs. Currently closed for applications in our region. Revenue funding for feasibility & development; not capital.
- **GBE & the Local Power Plan – Details to be announced.** £1Bn funding & finance for all project stages. Mix of grants, loans & direct finance. Partnership Fund & GBECF, Construction & operation loans, Local Investment Fund. Wind, solar, hydro, batteries & flexibility priorities. Recommend registering your interest at GBE.
- **Community Energy Go** - free, tailored support of £1k-10k for early stage community energy projects or groups undertaking new projects including LAs. Ringfenced support for the NEY area. EOI to apply.
- **Networks Co-op** – offering 100 free desktop feasibility assessments & 20 detailed feasibility studies.
- **National Lottery Awards for All** – up to £20k, environment theme. 16 week turnaround
- **Key Fund Energy Resilience Fund** - Energy Audit Grants - £500 and £2,500
- **Grassroots Grants – Groundwork** < £2k grants
- **Greggs Foundation** – Community Action Fund up to £20k for core costs

Delivery Funding - Installation – Capital Funding #1

- **GBE & the Local Power Plan** – detail to be announced. (GBE Capital Toolkit launching in Summer 2026).
- **YORhub** – ‘sustainability’ theme - sometimes has capital grants
- **Key Fund Energy Resilience Fund** - 6.5% loans for retrofit energy generating/saving technology on community owned or managed buildings - £10k-£150k.
- **Local trusts and charities** – search free funding portals for your type of project **East Riding of Yorkshire Council Funding Portal**, **HEY Smile Foundation portal**
- **National Grid Community Grant Programme** – eg for energy efficiency measures nr grid infrastructure projects
- **Community Fund – Hull and East Yorkshire Combined Authority** – no detail submit ideas
- **Veolia Environmental trust** £10k-£75k –for creation of a carbon neutral community space
- **SUEZ Communities Landfill Fund** up to £50k

Delivery Funding – Installation - Capital funding #2

- Small Grants - Two Ridings Community Foundation <£2,500
- Screwfix Foundation – for improved energy efficient lighting & heating <£5k
- Boiler Upgrade Scheme – Up to £7,500 to replace non-domestic fossil fuel boilers with air & ground source heat pumps & some biomass boilers, potential for some churches
- Congregational & General Charitable Trust up to £25k for Protestant churches (not solar alone)
- Matthew Good Foundation - Small Charity Funding up to £5,000 for people & planet
- Asda Foundation Local Community Spaces Fund - £10k-£20k, 28 April deadline, roof repairs & window upgrades
- **For larger projects - loans & social, commercial investors** e.g. Younity Community Energy Kickstart, Your Co-op Energy & Younity – short term finance construction/fitting costs of new renewables, grants for groups to develop expertise on community energy

A Few Tips

Applying for Funding

- Check the funders' requirements & eligibility criteria, deadlines, information needed.
- Talk to the funder if possible – project suitability, their priorities, available monies.
- Is your type of organisation eligible to apply? If not can you partner with someone who is?
- Talk to the Hub & your local council – climate, communities, education or transport teams may be able to support you or know of council funding, demonstrate how your project will help them deliver their local & strategic plans.
- [CEE Top tips for funding applications](#)

Prepare for Future Funding

- Keep working on your project even if no immediate funding available – windows can be short, engage with your community, planners, what sort of governance is needed to run it, develop costings & quotes, contact your DNO (Northern Powergrid CE team) about any grid connections needed.

Resources #1

- [NEY Net Zero Hub](#) – community energy mailing for key funding updates - [North East and Yorkshire Net Zero Hub Newsletter sign up](#)
- [Great British Energy – Local Power Plan & Express your interest | Great British Energy](#) (NEY NZ Hub [Local-Power-Plan-Briefing.pdf](#))
- CEE [How Communities Can Fund & Sell Their Own Power](#)
- [Net Zero Go](#) – available to Local Authorities. Hosts a wealth of resources, templates, and forums.
- [GOV-UK Find a Government Grant](#)
- [ELN Building a business case for community energy generation projects](#)
- [How Communities Can Fund & Sell Their Own Power](#)
- [Shared Ownership for a Just Transition - Regen](#)

Resources #2

- [CE Governance Guide](#) – created by the CSE and the GSE Hub.
- [Collaborating on CE: A Guide for Local Authorities](#) – created by CAG Consultants, CSE, and GSE Hub.
- [Community Energy Workshop Recordings](#) - NEY NZ Hub series of beginner and intermediate level workshops designed for CE groups and LAs.
- [Community Energy Video Case Studies](#) - showcasing some previous CE success stories in the North East & Yorkshire NZ Hub area.
- [CEE's National Community Energy Map](#) - shows locations of renewable energy generation and some energy advice and energy efficiency services.
- [Ethex - How To Raise Finance](#) – [Friendly Guide to Community Shares, IFISAs & Ethical Bonds](#)

Community Energy Team



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All enquiries sent to the inbox will be passed on to one of the Community Energy Team who will respond ASAP

Please contact
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[Join NEY NZ Hub mailing list for updates](#)

[Web page - NEY NZ Hub Community Energy Support](#)

