

Funding Opportunities

This appendix provides a summary of funding sources available to HDC to assist with achieving Net Zero by 2040. Given the scale of capital required to implement the interventions identified in this report, it is likely that private finance will play a pivotal role in aiding HDC reach its goal. There is currently work being undertaken by the UK Cities Climate Investment Commission (UKCCIC) to examine how private finance can be accessed to enable delivery of Net Zero neighbourhoods for Local Authorities. As a result, whilst the following table demonstrates what is currently available, there may be future sources of finance and funding that HDC should monitor.

HDC can also apply for government grants, where they are available, and encourage and support residents and businesses in the district to apply for funding that is unavailable to the council itself.

Name	Type	Description	Link
National Lottery	Lottery grant	Funds “projects that work to make positive changes in their community”. The Awards for All England programme offers £300 to £10,000 to community groups, while the Reaching Communities programme offers over £10,000 to organisations.	https://www.tnlcommunityfund.org.uk/funding/programmes/national-lottery-awards-for-all-england#section-3 https://www.tnlcommunityfund.org.uk/funding/programmes/reaching-communities-england#section-3

Name	Type	Description	Link
<p>Green Homes Grant Local Authority Delivery Service</p>	<p>Government</p>	<p>The LAD scheme aims to raise the energy efficiency of low-income and low EPC rated homes (those with Band E, F or G).</p> <p>This includes those living in the worst quality off-gas grid homes, delivering progress towards reducing fuel poverty, the phasing out the installation of high carbon fossil fuel heating and the UK’s commitment to net zero by 2050.</p> <p>Local authorities in England (individually or as part of a consortium bid with other local authorities / partners) can submit bids for funding to improve the energy efficiency of the homes of low-income households in their areas.</p>	<p>https://www.gov.uk/government/publications/green-homes-grant-local-authority-delivery-scheme-phase-2-funding-allocated-to-local-energy-hubs</p>

Name	Type	Description	Link
Workplace Charging Scheme	Government	Voucher based scheme providing support towards the upfront costs of the purchase and installation of electric vehicle charging points. The grant covers up to 75% of the total cost of purchase and installation, capped at £350 per socket and 40 sockets per applicant (across all sites).	https://www.gov.uk/guidance/workplace-charging-scheme-guidance-for-applicants
Green Heat Network Fund	Government	£288 million in capital grants will be available to public, private, and third sectors to retrofit and expand heat networks, and to construct new heat networks. Individuals and households cannot apply, so HDC may wish to apply for this grant for the wider benefit of the district.	https://www.gov.uk/government/publications/green-heat-network-fund-ghnf

Name	Type	Description	Link
Community Renewal Fund	Government	Project proposals are welcome from a range of applicants, including local district councils, voluntary and community sector organisations, and local education providers including universities. This funding will enable pilot programmes ahead of the implementation of the Shared Prosperity Fund. Projects should deliver investment in skills, local business, communities, or support people into employment.	https://www.gov.uk/government/publications/uk-community-renewal-fund-prospectus/uk-community-renewal-fund-prospectus-2021-22#uk-community-renewal-fund-an-overview
Shared Prosperity Fund	Government	This replaces the European Regional Development Fund, for which the UK is no longer eligible. The fund is likely to be distributed across the UK based on the economic development of each region.	https://researchbriefings.files.parliament.uk/documents/CBP-8527/CBP-8527.pdf

Name	Type	Description	Link
Salix PSDS	Government	<p>The Public Sector Decarbonisation Scheme provides grants for public sector bodies to fund heat decarbonisation and energy efficiency measures. Phases 1, 2 and 3 of the Public Sector Decarbonisation Scheme are now closed to applications. HDC should review for future phases or alternative funding from Salix.</p>	<p>https://www.salixfinance.co.uk/PSDS</p>
Green Recovery Challenge Fund	Government	<p>Projects must contribute to one of: nature conservation & restoration; nature-based solutions; or connecting people with nature. The next funding round will open in spring 2022.</p>	<p>https://www.ukpact.co.uk/green-recovery-challenge-fund</p>

Name	Type	Description	Link
Plug-in Vehicle Grants	Government	<p>Applicable to cars, vans, taxis, and motorcycles, the government has made £582 million available over 2022/2023. The grants are available to individuals. The maximum grant available for cars is £1,500.</p>	https://www.gov.uk/plug-in-car-van-grants
Zero Emission Vehicle Grants	Government	<p>£620 million is available for zero emission vehicles and electric vehicle infrastructure. The Electric Vehicle Homecharge Scheme (EVHS) provides up to 75% of the cost of installing charge points at domestic properties.</p>	https://www.gov.uk/government/collections/government-grants-for-low-emission-vehicles

Name	Type	Description	Link
<p>Home Upgrade Grant</p>	<p>Government</p>	<p>These grants, amounting to £67 million, will be allocated to local authorities to improve low-income, off-gas grid households’ insulation and converting to lower emission heating sources.</p>	<p>https://www.gov.uk/government/news/households-save-200-on-bills-with-energy-efficiency-investment</p>
<p>Boiler Upgrade Scheme</p>	<p>Government</p>	<p>The scheme will be administered by Ofgem with support from BEIS. It will provide capital grants to install heat pumps, and in some cases biomass boilers. The scheme is available for domestic and some non-domestic buildings, so HDC may wish to encourage residents and businesses to apply for the grants.</p>	<p>https://www.ofgem.gov.uk/environmental-and-social-schemes/boiler-upgrade-scheme-bus</p>

Name	Type	Description	Link
<p>Workplace Parking Levy</p>	<p>Local government</p>	<p>This Levy would see businesses being charge a tax if they provide parking spaces. The revenue can then be used to upgrade public transport/ active travel in the district. The only active example in the UK is Nottingham.</p>	<p>https://www.nottinghamcity.gov.uk/wpl</p>
<p>Leaders Community Grants</p>	<p>Local government</p>	<p>This Hampshire County Council scheme is to fund one-off, time limited projects that support communities, respond to the Climate Emergency, and reduce demand for council services. HDC may not apply, but organisations delivering activities and services in the county can. Grants are £1,000 to £25,000.</p>	<p>https://www.hants.gov.uk/community/grants/grants-list/leaders-community-grants</p>

Name	Type	Description	Link
Minor Works Grants	Local government	HDC runs a grant scheme offering up to £5,000 for minor works to houses, covering energy efficiency and adaptation. The scheme is available to anyone in receipt of selected means-tested benefits.	https://www.hart.gov.uk/sites/default/files/1_Residents/Housing/Your_home/Minor%20Works%20Grants_0.pdf
Home Improvement Loan Scheme	Local government	This scheme is a low cost, home improvement service for homeowners with limited access to funds required for maintenance. These are loans at 5.63% and cover leaks, boilers, windows/doors, and electrics.	https://www.hart.gov.uk/grants-loans
Contractor funding	Private	Provided by contractor, where they have in-house financing arrangements. Typical cost of 7 – 15% depending on contractor.	

Name	Type	Description	Link
High street lenders	Private	Typical cost of 8 – 10%.	
Equity	Private	Typical cost of 10 -12% IRR.	
CEF third party funder	Private	Market tested for value for money for each project. Best rate with CEF 'Bankable' contract and deal-flow. Typical cost of 4 – 6% depending on funder.	

Name	Type	Description	Link
<p>Council's own funds</p>	<p>HDC</p>	<p>HDC may have cash in the bank, or it has a capital budget. This money is not free, as it will attract capital charges at c.3.5% and the capital amount will need to be depreciated. It will impact on the balance sheet, and therefore HDC's ability to borrow capital for other activities.</p>	

