

FUNDING FOR CLIMATE ACTION

Draft summary 12.10.22

GENERAL FUNDING

A summary of current funding opportunities can be found (with web links) at www.tnlcommunityfund.org.uk/funding/programmes/climate-action-fund-round-2/climate-action-other-funders :

Broad climate change

Funding that's supported a wide range of climate and environment initiatives, rather than having a specific thematic focus. Different amounts of funding have been available - from small grants to larger and longer-term grants.

- [Children's Investment Fund Foundation](#)
- [Climate Challenge Fund - Keep Scotland Beautiful](#) (Scotland only)
- [Climateworks Foundation](#)
- [Coca-Cola Foundation](#)
- [European Climate Foundation](#) (generally focused within the EU)
- [Global Greengrants Fund UK](#)
- [Heathrow Community Trust](#) (Greater London region and areas surrounding Heathrow)
- [Lush Charity Pot Funding](#) (UK and international)
- [Network for Social Change](#)
- [Oak Foundation](#)
- [Sainsburys Family Charitable Trusts](#)
- [Schroder Charity Trust](#)
- [Thirty Percy](#)
- [Wellcome - Our Planet Our Health.](#)

Energy use, storage and creation

Funding specifically looking at the role of energy, such as renewable energy and low-carbon technologies.

- [Microgeneration Certification Scheme \(MCS\) Charitable Foundation](#) (for projects with a UK-wide impact).

Environmental justice, campaigning and grassroots action

Key areas of focus for these funders include climate and social justice and reducing inequalities, particularly for those more vulnerable and hardest hit by climate change. Funding has also supported projects to develop grassroots campaigning, activism and social movements.

- [City Bridge Trust](#) (London only)
- [Edge Fund](#)
- [Friends of the Earth - Climate Action Fund](#)
- [Joseph Rowntree Charitable Trust](#)
- [Paul Hamlyn Foundation](#)
- [Solberga Foundation](#).

Food

Funding focused on climate and environmental action looking at food systems and structures.

- [Necessity](#).

Nature and land use

Funding has covered areas such as improving biodiversity, creating and increasing community outdoor spaces and connecting people to nature, conservation, education, and environmental restoration and recovery.

- [Co-op Foundation](#) (Wales only)
- [Dulverton Trust](#)
- [Ernest Cook Trust \(ECT\)](#)
- [Esmée Fairbairn Foundation](#)
- [Postcode Local Trust](#)
- [Samworth Foundation](#)
- [The National Lottery Heritage Fund](#) (England only).

Policy, finance and economy

Not all funding programmes have had a specific climate action focus but funding has supported areas such as community business and shares, innovative finance, influencing policy, values and attitudes, systemic change, and projects seeking to develop a fair economy and challenging power.

- [Frederick Mulder Foundation](#)
- [Friends Provident Foundation](#)
- [Hewlett Foundation](#)
- [Polden-Puckham Charitable Foundation](#)
- [Power to Change](#)
- [Wallace Global Fund](#) (US-based but will consider initiatives with a global or national scope).

THE NATIONAL LOTTERY FUND

As well as regular community-based grants, there is the Climate Action Fund that aims to help communities across the UK to address climate change.

The focus is on the link between nature and climate, seeking to fund projects that use nature to encourage more community-led climate action. These projects are expected to bring other important social and economic benefits, like the creation of strong, resilient and healthy communities or the development of 'green' skills and jobs.

The fund is for larger projects that can do at least one of the following:

- show how creating a deeper connection with nature will lead to changing people's behaviours and greater care for the environment
- show how by bringing nature back into the places we live and work, we can help communities to reduce or adapt to the impacts of climate change.

See more at www.tnlcommunityfund.org.uk/funding/programmes/climate-action-fund-programme .

FRIENDS OF THE EARTH

A more modest Climate Action fund aims to support climate action by helping them organise events, stunts and/or other campaign activities, including council lobbying work. Groups can also receive funding to access training or support their wellbeing – see more at www.climate.friendsoftheearth.uk/resources/apply-funding .

BIODIVERSITY NET GAIN

Biodiversity Net Gain (BNG) is a concept proposed in the 25 Year Environment Plan and mandated as a condition of planning permission in the 2019 Environment Bill. BNG requires a 10% increase in biodiversity after development, compared to the level of biodiversity prior to the development taking place.

The net gain may be delivered off-site, and local planning authorities can identify suitable sites. Payments for BNG credits includes cost for 30-year maintenance - see more in the article at www.savills.co.uk/research_articles/229130/294977-0 .

SALIX FINANCE LTD

Salix Finance provides Government funding to the public sector to improve energy efficiency, reduce carbon emissions and lower energy bills. Salix Finance is a non-

departmental public body, owned wholly by Government and is funded by the Department for Business, Energy and Industrial Strategy, the Department for Education, the Welsh Government and the Scottish Government.

Salix Finance is currently completing the delivery of Phases 1 and 2 of the Public Sector Decarbonisation Scheme (PSDS). In 2021 PSDS Phase 3a was launched and delivery is now underway. All funds for England have been allocated under this scheme, but funding continues to be available for Scotland and Wales. See more at www.salixfinance.co.uk .

SECTION 137 FUNDING

Section 137 of the Local Government Act 1972 allows local councils to spend a limited amount of money for purposes for which they have no other specific statutory power, “*expenditure which in their opinion is in the interests of, and will bring direct benefit to, their area or any part of it or all or some of its inhabitants*”. Central government set the expenditure limit for parish and town councils in England for 2022-23 at £8.82 per elector.

SECTION 106 / COMMUNITY INFRASTRUCTURE LEVY (CIL)

Some local councils have already gained climate action funding through this route. It is best if they send their requirements in advance to their local planning authority.

CORPORATE SOCIAL RESPONSIBILITY

Some larger firms have special funds for local communities, themes often chosen by their employees. Check out the websites of local companies and also the Co-op.

DISTRICT AND COUNTY COUNCIL GRANTS

Some larger councils are also offering climate action grants, such as Kent County Council’s scheme for electric vehicle charge-points aimed at parish councils and village halls.

COMMUNITY BUILDINGS

Updated funding summary based on the CSE publication at www.cse.org.uk/local-energy/download/improving-energy-efficiency-in-community-buildings-197

Building owner or management committee

Is there already a budget allocated for improvements or maintenance to a community-owned or operated building? Can you make recommendations for improvements that could be paid for using this allocation? Demonstrating the expected cost savings over time could help to justify investment.

Bank loans and other loan funding

Because energy efficiency improvements generally pay for themselves over time through the savings they generate on energy bills, a loan may be a sensible option to consider. There are various low interest loans specifically for energy efficiency improvements, alternatively, a standard bank loan could also fund the project, but either way you will need to convince them that that you will be able to repay the loan. This will most likely require a robust business plan as well as a legally recognised body to manage to project and be held accountable should anything go wrong.

Local fundraisers

Depending on the amount of money you need to raise to implement your plans, you may be able to generate some or all of it via local fundraising. This could include donations from members of the public, sponsorship from local businesses, fundraising activities such as village fetes, cake sales, sponsored runs, benefit gigs and so on. If you also apply for grant funding, showing that you have already raised some of the money yourselves may help.

Grants and other funding

There are a range of web-based databases which can be used to identify potential sources of funding. These include www.getgrants.org.uk/funding-finder/ and www.fundsonline.org.uk . Other examples of grant and funding schemes which could cover energy efficiency improvements include:

- Your local Council for Voluntary Service should be aware of local grants. You can find your local CVS at www.navca.org.uk/find-a-member-1
- The Charities Aid Foundation lists funds: www.cafonline.org
- Big Lottery funding may also be suitable – for example Awards for All – see www.tnlcommunityfund.org.uk/funding/programmes

Please note that all these funds are subject to changes and it's always worth researching funding options at the time.

Crowd funding

There are more and more web-based funding mechanisms which can be used to attract donations or investments from individuals or organisations. It can be easier than traditional fundraisers (mentioned above) to promote via the internet and easier to manage since payments are usually made electronically. However, success relies quite heavily on access to wide networks of people. There are a huge number of crowd funding 'platforms' which can be broadly categorised into equity-based, lending-based, reward-based and donation-based. A few examples are:

- Crowd Funder www.crowdfunder.co.uk
- Solar Schools www.solarschools.org.uk
- Indiegogo www.indiegogo.com

Share issues

Establishing a community owned legal entity and raising equity through a share issue is becoming more and more common. So much so that the government has established a team and a website to provide support: www.communityshares.org.uk

Specialist grants

Some grants, or other types of other financial support, are available for specific types of buildings or locations. Here are some examples:

Churches and faith groups

- The Churches and Community Fund (CCF) gives grants to community projects run by parish churches, deaneries, dioceses and other bodies connected to or working in partnership with the Church of England: www.ccfund.org.uk
- The National Churches Trust aims to protect and support the built heritage of churches, chapels and meeting houses throughout the UK: www.nationalchurchestrust.org/get-support/grants

Schools

- Again, if there is a budget allocated for school improvements or maintenance costs you could make a strong case for monies to be allocated to making energy efficiency improvements.
- Loans are an option to pay for improvements and pay back over the longer term.

- Schools may also be able to raise a significant proportion of the money needed to install improvements through fundraising activities and donations from the school community.

Village Halls

- Start by contacting your local council to see if they offer any local grant funding schemes for the measures that you mention.
- If your area has a Local Action Group or a Rural Community Council, they may have a small grants scheme you can apply to.
- ACRE (Action for Rural Communities in England, www.acre.org.uk) runs a Village Hall Information Service. They can flag up funding specific to your area and run the Rural Community Buildings Loan Fund mentioned above.

Landfill Communities Fund

- Landfill Operators are obligated to pay a tax for waste disposed of on landfill sites. Some of this can be put towards a fund for local environmental projects to help to offset the negative impacts of living close to a landfill site.
- Funding could be available through a Distributive Environmental Body (DEB) or direct from the Landfill Operator. LCF is regulated by ENTRUST and more information is available at www.entrust.org.uk/landfill-community-fund/