

**OFFER OF FUNDING FROM THE WEST OF ENGLAND COMBINED AUTHORITY.**

***Community Energy Fund Stage 1/Stage 2***

This Grant Offer Letter dated [Date] is made between

**WEST OF ENGLAND COMBINED AUTHORITY (Accountable Body, Us, We)**

and

[LEAD PARTNER NAME] **(Grant Recipient, You, Your)**

and sets out the terms and conditions on which Grant is made available.

1. **Grant**
	1. This Grant is offered following the decision of the West of England Combined Authority on [Date] to agree the grant allocation of £[Amount].
	2. The Grant offered is revenue grant.
	3. The maximum sum of Grant available under this offer is £ [Amount] and must be used for the sole purposes of delivering the project scope set out in the Application (Appendix 1), following and taking into account guidance set out in the ‘Community Energy Fund [Stage 1/Stage 2] Guidance Notes’ (Appendix 2). We will not pay Grant in excess of this sum.
	4. Grant is offered and may only be used in support of activity as detailed in the Application. The Application forms part of your contractual agreement with Us.
	5. All eligible expenditure claimed under this offer must be incurred and defrayed by [Date], in line with Annex A1 Outputs and Milestones and Annex A2 Financial year breakdown.
	6. Grant will be paid to You on agreement that you will provide progress reports in the format and frequency requested by Us (Section 3) detailing evidence of project activity, appropriate outputs and milestones (Annex A1), and that Your Claim(s) are accompanied by the information outlined in Section 2 of this Letter so We can verify eligible incurred and defrayed expenditure.
	7. Eligible expenditure is defined as that required to deliver Your proposal as detailed in the Application. The costs must be appropriate, eligible and provide value for money.
2. **Grant Conditions**
**Pre-conditions of the payment of Grant**

2.1 The Accountable Body may, in its absolute discretion, and on such terms as it may specify, agree to pay any of the Grant to the Grant Recipient before the Pre-Conditions have been satisfied, but if We do so, this will not prejudice Our right to refuse to pay any further Grant until the Pre-Conditions are met or to exercise its right to require repayment of any Grant paid to You.

1. **How to Claim**
	1. In order to receive this grant, Your accountable officer must submit to Us Valid Claims.
	2. The Claim should be submitted electronically to the email address communityenergy@westofengland-ca.gov.uk Unless requested to do so You do not need to supply a paper form.
	3. A Valid Claim must include the following documents:
2. A signed and dated Claim letter (Annex B), indicating the amount of the current Claim; together with the schedule of costs (Annex C & Annex D).
3. Copies of invoices, receipts and payroll records with corroborating bank statements addressed to the beneficiary should be submitted to verify the total costs of the claim.
4. Unless paragraph 3.4 applies, copies of bank statements showing payments made to Eligible Contractors reflecting the amounts shown on the invoices provided; and
5. A schedule of eligible costs (Annex C) for the current claim.
	1. This paragraph applies when You wish to make an upfront claim for costs that you have not yet defrayed. In these circumstances, a Valid Claim consists of the elements listed at 3.3.a, 3.3.b and 3.3.d above.
	2. Where a Claim is made pursuant to paragraph 3.4 above, payment of subsequent Claims will be conditional on You providing proof that funds received from Us up to the date of your most recent Claim submission have been defrayed. Any amounts that cannot be backed by relevant bank statements will be deducted from your subsequent Claims.
	3. Eligible Contractors are defined as the approved contractors listed in Section 2.9 ‘Partners’ of the Application and any other contractors that have been commissioned by You and approved by Us to support activity listed in the Application. Work carried out by Contractors that have not been approved in advance by the Hub may not be eligible for payments.
	4. A Valid Claim must be accompanied by a progress report (Section 4) demonstrating how the Activities have been delivered and milestones met.
	5. We will use reasonable endeavours to ensure that you receive payment within 30 days of the receipt of a Valid Claim.
6. **Reporting and Monitoring**
	1. Your statutory Accounting Officer or designated deputy must submit to Us monthly progress reports in the format requested by Us (Annex D) detailing evidence of project activity, appropriate outputs / milestones together with a summary of cumulative costs incurred to date.
	2. If the report accompanies a Claim, it must clearly reflect how the activities have been delivered and milestones met.
	3. On or before [Date], Your statutory Accounting Officer or designated deputy must submit to Us the final progress report detailing evidence of project activity, appropriate outputs / milestones together with a summary of cumulative costs incurred to date.
	4. The progress reports should only be submitted electronically to the email address communityenergy@westofengland-ca.gov.uk
	5. Feasibility Reports must match the format of the CEF Feasibility Report template [Annex E].

1. **Media and Publicity**
	1. Any Media or Publicity sought in relation to this grant by the recipient will require prior approval by WEST OF ENGLAND COMBINED AUTHORITY. If WEST OF ENGLAND COMBINED AUTHORITY wishes to promote this grant, We will notify the relevant grant recipient.
	2. For this grant You shall also:

5.2a Include in all published marketing materials (including digital but excluding social media) the combined WECA/SW net Zero Hub/HM Government logo that We will make available to You and the following wording:

“Funded by the South West Net Zero Hub, which is hosted by the West of England Combined Authority through the Community Energy Fund.”

5.2b Inform communityenergy@westofengland-ca.gov.uk of any media activity/press releases, ideally giving two weeks’ notice of key announcements. Press releases will need to include this wording:

5.2c “Funded by the South West Net Zero Hub, which is hosted by the West of England Combined Authority through the Community Energy Fund.”

5.2d In using the Accountable Body’s name and logo, the Grant Recipient shall comply with all reasonable branding guidelines and will make a request via the Combined Authority Office for up to date official logos for use in your publicity material.

1. **Expiration of this offer**
	1. If the agreed activities have not been undertaken by the dates specified in the above clause 1.5, We will have no obligation to make payments under this Grant Offer Letter.
	2. WEST OF ENGLAND COMBINED AUTHORITY accepts no liability to make any payments against any costs incurred and defrayed, eligible or otherwise, on Projects that do not proceed where the offer of the Grant is withdrawn.
2. **Recovery and** **Withholding of grant.**
	1. WEST OF ENGLAND COMBINED AUTHORITY’s intention is that the Grant will be paid to the Grant Recipient in full. However, without prejudice to Our other rights and remedies, We may at Our discretion withhold or suspend payment of the Grant and/or require repayment of all or part of the Grant if:

i. The Grant Recipient uses the Grant for purposes other than those for which they have been awarded;

ii. The delivery of the Project is not complete by [Date];

iii. We consider that the Recipient has not made satisfactory progress with the delivery of the Project;

iv. The Grant Recipient is, in the reasonable opinion of Us, delivering the Project in a negligent manner;

v. The Grant Recipient obtains duplicate funding from a third party for the Project;

vi. The Grant Recipient obtains funding from a third party which, in the reasonable opinion of Us, undertakes activities that are likely to bring the reputation of the Project or WEST OF ENGLAND COMBINED AUTHORITY into disrepute;

vii. The Grant Recipient provides WEST OF ENGLAND COMBINED AUTHORITY with materially misleading or inaccurate information;

viii. The Grant Recipient commits or committed a Prohibited Act;

x. Any provision of this Grant Offer Letter is or becomes, for any reason, invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect unless an alternative wording can be agreed between the parties (acting reasonably) that render the letter not invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect.

xi. Any member of the governing body, employee or volunteer of the Grant Recipient has (a) acted dishonestly or negligently at any time and directly or indirectly to the detriment of the Project or (b) taken any actions which, in the reasonable opinion of Us, bring or are likely to bring Our name or reputation into disrepute;

xv. The Grant Recipient fails to comply with any of the terms and conditions set out in this Grant Offer Letter and fails to rectify any such failure within 30 days of receiving written notice detailing the failure.

* 1. The Grant Recipient shall make any payments due to WEST OF ENGLAND COMBINED AUTHORITY without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise.
1. **Compliance**
	1. The Grant Recipient shall comply with all relevant legislation of England & Wales to carry out this project.
	2. It remains the responsibility of the Grant Recipient to ensure that the subsidy control commitments under the Subsidy Control Act (2022) or such subsidy control regulations as are implemented in the UK from time to time are adhered to and that all necessary records and evidence are kept. Failure to comply with subsidy control commitments under the Subsidy Control Act (2022) or such subsidy control regulations as are implemented in the UK from time to time could result in recovery of some or all of any public funding paid to You.
	3. The Grant Recipient shall (and shall procure that any staff involved in connection with the activities in connection with the Project shall) comply with any notification requirements under the General Data Protection Regulation (GDPR - Regulation (EU) 2016/679) and both parties to this Grant Offer Letter will duly observe all their obligations under the GDPR which arise in connection with the Grant Offer Letter.
2. **Change control**
Change to the project:
	1. Changes to this Grant Offer Letter, including the sections on Grant Payable, Period of Support and milestones, should be requested through the Change Request Form at Annex F.
	2. All Changes requested in this manner will be considered by the Accountable Body in accordance with its published governance processes.
	3. The Accountable Body will only amend this letter in accordance with the decisions of the SW Net Zero Hub Board.
	4. Material Changemeans a change in the Project requiring the amendment of this Grant Offer Letter. Material changes can include:
		1. Increases in Grant or match funding.
		2. A change of more than 10% in the profile of Funding between financial years
		3. Changes to the Milestones, including the Expected Date of Achievement of more than 2 months (including the total cumulative change from the milestone dates included in this Grant Offer Letter).
		4. Changes to the nature, scale and scope of the Outputs
		5. Changes so as to make the detail of this letter describing the Project inaccurate, such as:
		6. A change sufficient to require a reassessment of the subsidy control position of the Project.
		7. A change in the focus of the Project, from a specific sector to another, or from a particular intended use to another.
		8. Any change in the scale of the project or to the location of the works.
		9. Any change in the legal status or identity of the Grant Recipient.
	5. Other Change means a change which does not fall under the definition of a Material Change, including a change of 10% or less in the profile of Funding between financial years, and changes to Milestone, including the Expected Date of Achievement, of 2 months or less. Such changes should be reported in writing in a timely manner to the South West Net Zero Hub Project Manager who will provide written confirmation as to whether the change is accepted.

**Acceptance.**

To accept this offer of Grant on the terms and conditions set out in this Grant offer letter, please sign and date in the section below and return a copy to Us, retaining another for your records.

Document reviewed and approved:



Steve Ransom

South West Net Zero Hub Programme Manager

Signed on behalf of WEST OF ENGLAND COMBINED AUTHORITY:

Selonge Russell

Head of Finance and Deputy Section 73 Officer

Signed on behalf of [LEAD PARTNER NAME]

*I have read this Grant offer letter and accept the offer of Grant on the terms and conditions set out.*

…………………………………………………………………………..

NAME:

POSITION:

DATE:

**ANNEX A**

**Outputs and Milestones**

The Activities and milestones below are copied from the Application (Appendix 1), and will be agreed and confirmed by You and South West Net Zero Hub during the project kick-off meeting.

|  |  |  |  |
| --- | --- | --- | --- |
| **Number** | **Milestone / Output** | **Expected Date of Achievement** | **Expected Date of Claim**  |
| 1 | xxxxx | xxx | xxx |
| 2 | xxxxx | xxx | xxx |
| 3 | xxxxx | xxx | xxx |
|  |  |  |  |

In addition to the above, the final milestone and output will be the delivery of the Feasibility Report following the agreed template (Annex E).

**ANNEX A2**

**Grant request – financial year breakdown**

The grant request breakdown below is taken from the Application (Appendix 1). This has been broken down below to show the grant request per financial year.

[Insert table here]

**ANNEX B**

**Claim Letter to be made on *Your Corporate Headed Paper***

West of England Combined Authority

70 Redcliff Street Your Ref:

Bristol Our Ref:

BS1 6AL Date:

Dear

***Community Energy Fund Stage 1* 2022/23 – Claim Letter**

Further to our Grant offer letter dated [Date] I submit this Claim letter in order to claim our Grant for the period Financial Year 2024/25 and for the amount stated in the below table:

|  |  |
| --- | --- |
| **Grant Claim Amount** | **£** |

In claiming this grant, I confirm that all terms and conditions of the Grant have been and continue to be met.

Yours faithfully

NAME

Accountable Officer (*or other appropriate job title).*

**ANNEX C**

**Schedule of eligible costs template**

**(This form will be provided to you in an Excel document)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Claim Costs Schedule - Invoices**  |  |  |  |  |  |  |  |  |
| **Cost category** | **Description** | **Supplier name** | **Invoice date** | **Invoice number** | **Bank statement attached** | **Net amount** | **VAT amount** | **Gross Amount** | **Total costs claimed** |
|   |   |   |   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |   |   |   |
|   |   |   |   |   |   |   |   |   |   |
|   |   |   |  |  |  |   |   |   |   |
|  |  |  |  |  |  |  |  | **Total** | 0 |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  | **TOTAL** |  |
|  |  |  |  |  |  |  |  |  |  |

**ANNEX D**

Progress report templates
Reporting forms are subject to change. Some of these reporting forms will be in an Excel format.

**WEST OF ENGLAND COMBINED AUTHORITY**

**sOUTH WEST NET ZERO HUB - COMMUNITY ENERGY FUND monthly report form**

|  |  |
| --- | --- |
| **Project name** |  |
| **Month / Quarter / Period that this claim refers to** |  |
| **Funding Recipient Organisation** |  |
| **Report completed by** |  |
| **Date of Report** |  |
|  Please provide us with a brief summary of work carried out during this period and activities planned for the next month.  Please also include brief details of any likely changes to the nature, scale, timing or cost of the project, including if there are any changes to specific budget lines (even where the overall project budget remains unchanged). Please note we reserve the right not to approve variations in project scale, timings and costs if these are likely to lead to CEF guidance rules and thresholds being infringed. We will endeavour to work with you to accommodate any reasonable changes to your project and costs. We recommend that you seek formal approval by the Hub for any changes required, before proceeding with the project. We may be unable to make a claim payment to you if a change request has not been formally approved by us. |

**Monthly Report**

|  |  |
| --- | --- |
| **What have been the main activities during this period?** |  |
| **What learning points have there been?****Is there any additional support you would like from the Hub?** |  |
| **Have there been, or are there likely to be, any changes in the nature, scale or timing of the project?** |  |
| **Are the project costs likely to vary? If so, in what way? Please indicate how you are planning to bring the project back within budget.** |  |
| **Products / activities planned for next period:** |  |
| **Major Issues Update or changed or newly identified risks:** |  |
| **Spend during the last period (actual defrayed spend)** |  |
| **Is there any other pending expenditure from the last period that is known but not yet defrayed (can be an estimate)** |  |

**WEST OF ENGLAND COMBINED AUTHORITY**

**sOUTH WEST NET ZERO HUB - COMMUNITY ENERGY FUND spend and monitoring form**

|  |  |
| --- | --- |
| **Project name** |  |
| **Month / Quarter / Period that this report refers to** |  |
| **Funding Recipient Organisation** |  |
| **Report completed by** |  |
| **Date of Report** |  |

**Spending**

Please provide a brief summary of the agreed deliverables that have been completed in line with your CEF Application and Grant Offer Letter. You must include what you have actually spent on each deliverable task so that we can see how this compares to your original quote from your application.
 If there is a reason why you have not been able to complete a milestone from this stage of your project you must contact us in order to discuss this before we can release any further payment. Should your actual spend be lower than the amount you were awarded to complete this stage then we will make a reduction on your subsequent payment to reflect this.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Deliverable (from your grant offer letter)** | **Professional services, activities, equipment etc paid for (describe briefly)** | **Supplier/Contractor used (if applicable)** | **Anticipated spend from contract (£)** | **Actual spend (£)** | **Difference (£)** | **Explanation if there is a variation** |
|   |  |  |   |   |   |   |
|   |  |  |   |   |   |   |
|   |   |  |   |   |   |   |
|   |  |  |   |   |   |   |
|   |  |  |   |  |   |   |

**Changes to planned spending**
Did you need to find more money for any elements of this portion of your project, or have you found that some budget headings needed less money than you had expected? Please explain any differences:

|  |
| --- |
|   |

**Additional funding**

Did you have additional funding to support your project over the same time period that you were spending this portion of the CEF grant? If so, what did you use it for? Did you already have this funding secured, or was it something you needed to secure because the maximum CEF grant was not enough for what you needed to do? Provide details of any additional funding:

|  |
| --- |
|      |

**Monitoring**

**Evidence of milestone progress**

Please provide brief details about work carried out against the milestones in your Application Form and if that milestone is now complete. Indicate where any of the tasks are not applicable for your project at this time. If there is a reason why you have not been able to complete a milestone from this stage of your project you must contact us to discuss this before we can release any further payment. Please amend the size of the table as required.

|  |  |  |
| --- | --- | --- |
| **Milestone** | **Have you completed this milestone? Please give details and provide any evidence you have (see footnote).** | **If milestone is incomplete please detail what further work is required.** |
| ***(What have you done)*** | ***(What do you need to do)*** |
|  |  |  |
|   |  |  |
|   |  |  |
|   |  |  |
|   |  |  |

**If necessary, explain below why any planned milestones were not achieved in this period.**

|  |
| --- |
|  |

**Supporting Documentation**

Please detail any reports, official documents, printed collateral and notes that you have produced with your grant funding. Copies of these will need to be provided to us as we won’t be able to release any funding without this evidence. Definitions are as follows.

**Reports:** By this we mean studies that have been carried out for you by consultants who have the relevant qualifications, liability insurances and track record to produce work of a standard that will be acceptable to a future potential investor in your project. This can include write-ups of consultation events and processes if these were carried out for you by hired professionals or undertaken by staff. It is also likely to include:

* Technical feasibility studies
* Heritage, landscape and ecology reports
* Reports from legal experts on appropriate legal & financial structures for your group and project
* Planning/consenting issues reports
* Grid reinforcement studies
* Write-ups of professionally facilitated community consultation processes
* Business models or financial projections

**Legal and official documents:** By this we mean things like legally binding contracts or leases, Certificates of Incorporation, insurance certificates as well as any official letters from bodies such as the Local Planning Authority, the Environment Agency, English Heritage, or a DNO.

**Printed collateral:** By this we mean copies of flyers, leaflets etc that you paid for with your CEF grant.

**Notes:** By this we mean anything you think is important for us to see that does not fall into the three categories above. This could include copies of informal correspondence between you and statutory bodies, as well as your own reports/write ups of community consultation activities.

|  |
| --- |
| **List supporting documents / items included with this report here:** |

**ANNEX E**

**CEF Feasibility Report template**



**Community Energy Fund – Feasibility Report Structure**

## **Background**

Under Stage 1 of the Community Energy Fund (CEF), eligible organisations can receive funding to investigate the feasibility of successfully developing a community-scale, community-owned energy related Scheme. The results of this investigation must be presented to your Local Net Zero Hub in a feasibility report. The strength of the feasibility report will be a key factor in evaluating projects for further funding at Stage 2. To assist communities in gathering this information and to ensure a consistency of information across multiple projects, we have provided guidance on what your feasibility study needs to cover. Some of this guidance is only applicable to Type A Projects covering preparation for projects with energy assets. For Type B Projects working on energy efficiency schemes there will be more emphasis needed on the capacity building and community engagement achieved.

## **Using this template**

The following guidance sets out the basic structure for compiling the feasibility report for Stage 1 of CEF. You should include all information that is relevant to your project.

**Report length:** There are no restrictions on report length, but please note that the report should only contain information which is of direct relevance to the project. Appendices can be used to include reports received from external consultants relating to specific aspects of the project.

**Format:** The report should address all sections listed below. Please answer the specific questions as well as adding any further information that will help assess the viability of taking the project forward to Stage 2 and beyond. Please also attach any relevant documents, maps, quotes, surveys, etc. undertaken as part of the feasibility study.

**Key points to producing a feasibility report:** Remember that a feasibility study is a formalised, written approach to evaluating your proposed Scheme. It can help you identify:

* What the needs of the community are
* Whether your idea is technically and financially viable or not
* Useful facts and figures to aid decision-making
* Alternative approaches and solutions to putting your idea into practice.

**Outline structure:** Your report should include, as a minimum, the following sections:

1. Executive Summary
2. Statement of Need and Location
3. Options Assessed and Preferred Solution
4. Land Rights, Planning, Permits and Consents (Type A only)
5. Community Engagement
6. Community Benefits
7. Financial Projections
8. Operation, Legal Structures and Governance
9. Scheduling
10. Conclusions and Next Steps

The detail on the following pages provides more depth to the elements you will need to cover in your report.

## **1** **Executive Summary**

**1.1** **Project summary**

Please provide a short summary of the background to the project.

* Who is the organisation receiving CEF funds, and which community is involved?
* What legal structure does this organisation currently have?
* Who are the key players involved?
* What technology options have been explored?

**1.2** **Feasibility summary**

Please provide a short summary of your findings.

* Is the technology suited to the location and proposed installation?
* Is there adequate community support for the project?
* Is the project likely to secure the planning and permitting required?
* Is the project likely to meet the requirements to raise suitable capital investment?

**1.3** **Case study statement**

Please provide a summary ‘case study’ paragraph (approximately 200 words) which can be used to highlight the outcomes of the project’s feasibility study. It should be suitable for use in promotional literature for CEF. A named quote from the organisation receiving CEF funds or a community-based partner should also be included. If possible, a photograph relevant to the project should be included.

## **2** **Statement of Need and Location**

Please summarise the requirements of the community that the proposed Scheme aims to meet. This should take any relevant output data from any technical assessment to provide specific information, for example electricity or heat demand, number of buildings to be served etc.

Where there is a specific energy asset (e.g. wind turbine, heat centre) please give an overview of the reasons for choosing the proposed site. Information should be provided on:

* the legal status and cost of securing the land
* cost of connecting to the national grid and any expected constraints or time delays
* means of distribution to users.
* suitability of the site for the proposed technology
* restrictions on the site’s usage (e.g. Site of Special Scientific Interest (SSSI) protection, Area of Outstanding Natural Beauty (AONB), National Park)
* requirements for support from any neighbouring landowners who could object to the use of the site or deny access

More detailed analysis for the proposed outcome for each of these factors will be covered in the sections below. In this section you should summarise these at a high level to support the selection of the chosen site.

## **3** **Options Assessed and Preferred Solution**

Please outline what technologies have been considered and which technology or technologies have been selected to take forward by the organisation receiving CEF funds. Key things to cover:

* What is the preferred technical solution?
* What investigations have been carried out into the suitability of this technical solution to the proposed location?
* Have any alternative technical solutions to the preferred option been considered?
* What limitations to the technical solution have been identified (e.g. potentially limited times of operation, seasonality of operation, resource limitations, applicability constraints)?

## **4** **Land Rights, Connection, Planning, Permits and Consents**

This section is only relevant to Type A Projects dealing with energy generation or heat network systems.

Please provide details of any requirements to obtain land rights to deliver the proposed scheme. This may include leasing land for installation of equipment or wayleaves to connect across third party land. Please provide information on the status in each case (for example exclusivity agreement or draft lease).

Please provide details of the grid connection that the Scheme will require. Provide evidence of consultation with the relevant Distribution Network Operator to establish the budget cost for the connection required and the timescales to achieve this connection.

Please give details of required planning and permitting for the installation as well as a view on the likelihood of achieving planning permission. This is of particular concern when the project involves wind turbines, large solar arrays or hydro installations. We expect that, as part of the feasibility report, discussions take place with the Local Planning Authority and any stakeholders who have the power to influence the outcome of planning applications. Your report should include screening for local constraints, information on any relevant local precedents and an assessment of the likelihood of receiving planning consent.

If the proposed installation will require Environment Agency permits, we expect to see evidence of consultation with them.

## **5** **Community Engagement**

Community Engagement is a vital part of the Feasibility Study and it is expected that significant effort will have been put into building awareness and support for the proposed Scheme within your community.

Please detail the engagement work undertaken and the numbers of committed supporters. Please provide a description of the level of support for the project in the community more generally. This will help determine some key aspects of project feasibility such as the likelihood of obtaining planning permission, opportunities for income generation and the required scale of installation. Key things to cover:

* How much support is there for the proposed installation within the community?
* How many members of the community have indicated that they would invest in, purchase energy from or otherwise support the proposed installation?
* What methods of community engagement have been undertaken? Please attach minutes of community meetings, surveys, petitions etc.
* Have there been any strong objections raised, either by members of the community or those outside of it?
* Have you identified the key stakeholders within the community (for example, the local authority, adjacent land or building owners, etc.)? If so, please list them here.
* How have you engaged with local stakeholders and what support do you have?

## **6** **Community Benefits**

Please detail the type and scale of benefits to the community that the Scheme will provide. This needs to cover both the general benefits (e.g. jobs created, reduction in local pollution) as well as the specific financial benefits and identify exactly who within the community will receive these benefits.

## **7** **Financial Projections**

Please outline the financial model for the installation. It is important to get an idea of the financial viability of the project as far as possible at this early stage. This will be a key consideration in the decision to advance further funds.

For Type A Projects, the financial model needs to include:

* Forecast development costs to bring the scheme to investment readiness (including planning and permitting costs and grid connection deposit)
* Forecast capital expenditure to build and commission the scheme
* Forecast operating costs of the scheme
* Forecast income from the scheme
* Resultant margin and any community share

Type B Projects will need to provide a higher level indication of the financial aspects of the work.

Based on this financial information, the report should summarise the planned route to raise funding for the Scheme.

## **8** **Operation, Legal Structures and Governance**

Please provide details of who will be responsible for overseeing the delivery and ongoing management of the project. For Type A Projects, this will be a key consideration of banks and other investors in making funding decisions about the project.

The proposed legal structures should be explained which may include Power Purchase Agreements, Heat Supply Agreements etc. and also the overall ownership structure for the scheme.

With respect to the key people involved, provide information on their relevant skills and experience. It is also helpful to have a succession plan in place to ensure the Scheme remains actively managed over its lifetime.

## **9** **Scheduling**

Please provide an overall schedule for the next stage in the development or implementation of the project. This should include the meeting of project milestones such as delivery of technical reports, the gaining of planning, gaining of permits, identification of contractors, start of construction phase. This will be contingent on timing of receipt of finance but should offer a realistic forward forecast to include any lead times such as provision of a grid connections, grant of planning or completion of fund raising.

## **10** **Conclusions and Next Steps**

Following the feasibility study, what are your next steps. Bear in mind that if your proposed Scheme was found to have feasibility issues, this may involve a change of direction or even going back to the drawing board.

If your Scheme is broadly feasible, what is required to progress to Stage 2 (i.e. receiving CEF funds successfully) and to develop the Scheme through to completion, i.e. a fully operational renewable energy installation?

**ANNEX F**

**CEF ‘Material change’ Change control form**

**PROJECT NAME:**

|  |  |
| --- | --- |
| **ORIGINATION DATE:**  |   |
| **REFERENCE:**  |   |
| **AUTHOR:**  |   |

|  |
| --- |
| **CHANGE CATEGORY:**  |
| *Please select one or more, as appropriate, from list below: [Please* ***do not*** *amend the categories listed below]* *This change request relates to:* * ***Cost:*** *substantial change request relating to eligible cost headings, total cost or match funding.*
* ***Spend profile:*** *substantial change request relating to more than 10% in the profile of Funding between financial years.*
* ***Time:*** *change request relating to delivery timeframe, including change of more than 2 months change to milestone dates.*
* ***Scope:*** *change request relating to scale, nature, focus and scope of scheme.*
* ***Quality:*** *change request relating to anticipated outputs and impacts/benefits.*
* ***Match:*** *change request relating to amount of match funding secured.*
* ***Other***
 |
| **DESCRIPTION AND CAUSE OF CHANGE:**  |
| *Please provide a detailed description of the material change(s). Please explain the reasons necessitating the change(s) eg if there is delay to the achievement of a milestone why has this occurred. If this is a request to reprofile please complete the spreadsheet at Annex G.*  |
| **CONSEQUENCE OF THE CHANGE (including overall cost, spend profile, milestones, scope, benefits):**  |
| *Describe in detail the consequence(s) of the proposed change(s), particularly in relation to overall cost, spend profile, milestones, scope and benefits. Please clearly present the difference between the current and proposed position. See examples below, use as applicable.*

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| --- | --- | --- | --- |
| **Key milestones**  | **baseline milestones**   | **Proposed change**  | **Delay (by months)**  |
| HR reporting milestones  | mm/yyyy  | mm/yyyy  | No. of months  |

 *More generally, consider impacts in relation to, for example, technical specification, strategic, end user/beneficiary, stakeholder, quality of deliverables, resources, etc.*  *Please provide any proposal(s) for mitigation of any adverse consequences.*  *Consider the potential benefits/dis-benefits of the proposed change.*  |
|  **ALTERNATIVE OPTIONS:** |
| *Please provide up to three alternatives that could be implemented instead of the proposed change. For each alternative, identify areas likely to be impacted by the change, and the potential benefits and adverse effects for each. State the reason(s) for rejection of each alternative option.*  |
| **PROPOSED OPTION:**  |
| *Describe the proposed option and justify why this proposed change(s) should be implemented.*  *Explain the impact if the proposed change is not implemented.*  *Consider any risks arising from the proposed change(s) and how will these be mitigated going forwards.*  |
| **FUTURE MITIGATION AND LEARNING POINTS:**   |
| *Describe future preventative actions and learning points that will be implemented to reduce the likelihood and/or impact of the proposed or other related change(s).*  |
| **VIEWS OF ACCOUNTABLE BODY:**  |
|   |

**CEF ‘Other change’ Change control form**

**PROJECT NAME :**

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| **ORIGINATION DATE:**  |   |
| **REFERENCE:**  |   |
| **AUTHOR:**  |   |

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| **CHANGE CATEGORY:**  |
| *Please select one or more, as appropriate, from list below: [Please* ***do not*** *amend the categories listed below].* *This change request relates to:* * ***Cost:*** *small change request relating to eligible cost headings*
* ***Spend profile:*** *change request relating to spend profile of 10% or less in the profile of Funding between financial years*
* ***Time:*** *change in milestone dates up to 2 months*
 |
| **DESCRIPTION AND CAUSE OF CHANGE:**  |
| *Please provide a detailed description of the change(s). Please explain the reasons necessitating the change(s) eg if there is delay to the achievement of a milestone why has this occurred. If this is a request to reprofile please complete the spreadsheet at Appendix G and provide an updated milestones table.*  |
| **FUTURE MITIGATION AND LEARNING POINTS:**   |
| *Describe future preventative actions and learning points that will be implemented to reduce the likelihood and/or impact of the proposed or other related change(s).*  |
| **VIEWS OF ACCOUNTABLE BODY:**  |
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**APPENDIX G – Reprofile example sheet**

**(This form will be provided to you in an Excel document)**

|  |  |  |  |  |  |  |  |  |  |  |  |
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| **Cost Heading** | **Year 1** | **Year 2** | **Total** |  | **Year 1** | **Year 1** | **Year 1** |  | **Year 2** | **Year 2** | **Year 2** |
| **Baseline (per GOL)**  | **Baseline (per GOL)**  | **Baseline (per GOL)** |  | **Current Forecast** | **Difference** | **Percentage** |  | **Current Forecast** | **Difference** | **Percentage** |
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| **Totals** | £0 | £0 | £0 |  |  |  |  |  |  |  |  |