

28 September 2009

Dear Sir/Madam,

We are launching the **Low Carbon Communities Challenge**, a two-year programme to provide financial and advisory support to 20 'test-bed' communities in England, Wales and Northern Ireland that are seeking to cut carbon emissions, support inward investment and foster community leadership.

The Challenge is focused on communities already taking action, or facing change, in the area as a result of climate change – they may be a Warm Zone, eco-town or low carbon community, or a potential candidate for a wind farm, electric cars or community-scale retrofitting of homes – and with an interest in using this to spur an ambitious, integrated programme of carbon reductions in the area. If you are working with such a community I am writing to invite you to apply to participate in the Challenge.

About the Challenge

The findings from the Big Energy Shift public dialogue¹ suggest that households could benefit significantly from joined-up 'packages' of support, delivered locally in the community, to help them reduce home energy consumption and make deep cuts in their carbon emissions. Such packages could include, for example, smart meters, home energy audits, access to local demonstration homes, leadership from local schools, businesses and public buildings, and more hands-on support navigating advice and determining which energy efficiency measures and renewable technologies are right for them.

The Government believes that this type of integrated approach, involving technological solutions alongside community and household-level behaviour change, and delivered via new collaborations between local public, private and third sector organisations, will be critical to achieving the carbon emission cuts we need. However, as yet there is no blueprint for effective action or clear sense of how much can be achieved through this route – hence the Challenge, which is designed to test the success of different plans.

The Challenge will allow the experiences of people living and working in communities that take part to be shared publicly, along with the quantitative data on carbon and energy savings. The information will be used to offer continuous learning and improvement, and the lessons learned will be made available to other communities across the country. The learning will also inform government's wider delivery plans on energy and climate change.

This letter and information pack for potential applicants is being sent to local authorities and councils in England, Wales and Northern Ireland. We are also circulating it via our networks.

What are the benefits?

The Challenge offers:

- Capital infrastructure funding for carbon emissions reduction (up to £500,000, or more in exceptional cases) to stimulate partner and community investment in the area. This could be used, for example, for a community wind turbine, biomass district heating pumps in the village hall/school, or a programme of street-by-street housing retrofits. The funding comes from the Low Carbon Investment Fund (LCIF).

¹ www.bigenergyshift.org.uk

- Introductions to potential third, public and private sector services through a new partner consortium offering free advice and support. For example, this will include services to help communities take effective action on energy, waste and water, help with setting up social enterprises, training for volunteer community leaders, and support to schools on cutting carbon emissions.
- A common framework and practical support across the 20 communities to share learning and evaluation. In addition to the collection of quantifiable data to assess carbon reductions and other sustainability benefits, evaluation will include a facilitated process of public engagement and co-inquiry within and between the communities using a mix of approaches – events, online tools and film. Experience will be shared to help progress across the communities, but we will also personally involve Ministers, government officials, scientists and delivery partners.
- The challenge also offers a profile that comes from being part of a large-scale, multi-partner and government-backed initiative.

In addition to reducing their emissions, we expect the communities to benefit through economic efficiencies from integration of services and social advantages, through stronger community leadership across a broad section of the community, and through inward investment and job creation.

Who is eligible to apply?

To meet our research requirements within the timescales and funding limitations of the project, we are being specific about who is eligible to apply. In summary, applicants are eligible to apply if they:

- are a local authority/council, local strategic partnership or legally constituted third sector organisation;
- are applying on behalf of a community in England, Wales or Northern Ireland that is already taking action, or facing change, as a result of infrastructure development² or behavioural measures that could achieve carbon reductions;
- have the skills and resource to build on this action and develop integrated proposals for carbon reduction, involving both infrastructure alongside community and household-level behaviour change;
- have demonstrable support from grassroots community leaders³ and local partners in the area, and have included them in the governance structure overseeing participation in the challenge; and
- are fully committed to evaluation and the role that research and co-inquiry will provide in assessing both the carbon impact of the initiatives and the valuable learning that can be gained and spread to others. Ideally, they should already have some historical information from the community which will allow the assessment of the current and ‘business as usual’ climate/energy/fuel poverty impacts on the community.

How do applicants apply?

This information pack provides background to the Challenge, as well as details on the criteria against which we will short-list applicants, the application process and the timetable.

² It is possible that not everyone in the community supports this infrastructure or technology. In this situation, the measures should be at the pre-planning stage so that the nature of these developments – and possible alternatives – can be discussed with people in the area as part of the challenge.

³ People living or working in the area with the leadership abilities to help drive forward carbon reduction plans for the area. Such leaders may have a range of experiences or backgrounds: running the local sports or faith group, a local business person or school teacher, or they may be an active resident.

The Challenge will be run in two phases. Applicants may apply in either one of them. Phase 1 *'first mover'* applications are for green 'exemplar' communities that already have integrated community plans to tackle climate change. Through the Challenge, we will look for applicants to build on, learn from and share their experiences. To this end, £5 million is available for applicants who put forward bids to support capital expenditure for existing projects in this financial year. Most applicants will receive up to £500,000, but in exceptional circumstances applicants may receive more.

Phase 2 *'second mover'* applications are for communities already taking some action or facing change in the area, and with an interest in developing integrated plans for cutting carbon emissions. Around 12 communities will be selected to share the funding of £5 million available over the financial year 2010/11, with applicants being able to apply for up to £500,000.

So that we know how many applicants are likely to apply, all applicants are requested to register interest by **12 noon on Wednesday 28 October 2009** and let us know whether they intend to apply for capital funding within this financial year or the next. Please email indications of the intention to apply to: challenge@decc.gsi.gov.uk

Phase 1: applicants have two months to prepare their applications to participate in the Challenge and receive LCIF funding. Their final applications must be received by **12 noon on Friday 27 November 2009**. They will be notified of the outcome by 21 December 2009.

Phase 2: applicants have three months to apply to participate in the Challenge. Applications must be submitted by **12 noon on Wednesday 30 December 2009** and they will be notified of the outcome by 25 January 2010 if they are successful. They have up to a year to submit their application for LCIF funding.

The Challenge is scheduled to start in February 2010 with a series of workshops.

Who should you speak to for enquiries?

If you have further queries about the Challenge, please contact:

England: Harriet Festing: challenge@decc.gsi.gov.uk

Wales: Jennifer Pride: climate-change@wales.gsi.gov.uk

Northern Ireland: Alison Clydesdale: energy@detini.gov.uk

Yours faithfully,



Joan Ruddock
Minister of State
Department of Energy
and Climate Change



Jane Davidson AM Wales
Minister for Environment,
Sustainability and Housing



Arlene Foster MLA
Minister of Enterprise
Trade and Investment,
Northern Ireland