



What is the Climate Change Fund?

The Climate Change Fund has been set up to provide interest-free loans for energy efficiency and renewable energy projects in schools. The aim of the fund is to deliver long-term energy and carbon dioxide savings, and is managed by the Sustainability Unit within the Environment directorate of the Council. To apply, simply complete an application form and don't hesitate to get in touch for any further assistance.

How does it work?

Once your project has been implemented, the loan is repaid from the money saved as a result of the energy efficiency / renewable energy measure. This is put back into the Climate Change Fund and is then available for re-investment in other projects.

Example: Energy efficient lighting

- New system costs £6000 with estimated electricity savings of £2000 per year
- Council provides a £6000 interest free loan to pay for investment
- School repays £2000 per year for first three years until the investment has been repaid
- Within ten years school saves almost £15000

Criteria

To be eligible, projects must meet the following criteria:

- **Savings** - deliver long term carbon dioxide savings and financial savings.
- **Additionality** - the project could not have happened without this extra financing e.g. if an investment were to be made anyway, only the additional cost to select a higher energy saving option will be funded.
- **Payback** - energy saving measures should be paid back in 10 years or less and renewable energy technology projects within 15 years.

Loans will not be offered for projects where an alternative source of funds is available for the full project costs. New developments, large-scale refurbishments and transport projects are not eligible for the Climate Change Fund.

Paying back the loan

The bursar and head teacher will need to sign a loan agreement setting out the annual repayment schedule in line with the estimated cost savings.

1. The interest-free loan will be based on estimated energy savings at the time the loan is agreed.
2. Annual repayments can be set at between 75% -100% of the estimated cost savings from the project.
3. Repayments will be made annually on 1st April, with the first payment made 6 – 12 months after the loan is used.
4. As part of the agreement, three years of energy data for the site should be made available to the Sustainability Unit.

How are loans awarded?

The Council's Sustainability Manager will agree loans to finance projects up to £25,000 which meet the above criteria. Priority will be given to energy saving measures with the shortest payback periods, allowing the money to be quickly repaid and recycled into the Climate Change Fund. Projects which need a loan of over £25,000 or do not meet the listed criteria will be referred to the Leader of the Council and Cabinet Member for Environment to make a decision in consultation with the Climate Change Programme Board (consists of councillors, Director of Environment and Assistant Director of Environment).