

## Support for Public Sector Building Decarbonisation

The following guide provides a summary of existing and planned support to assist public sector buildings in decarbonising. *All resources and offers noted are current as of November 15, 2022.*

### Funding/Financing

Decarbonising buildings through low carbon heating sources, energy efficient technologies and retrofits can be costly. You can find guidance on available funding/financing for your organisation's energy improvements here:

#### 1. UK Government grants

- [Boiler Upgrade Scheme \(BUS\):](#)

*Live: The scheme is currently open for application until 2025.*

The Boiler Upgrade Scheme (BUS) provides grants to encourage property owners to install low carbon heating systems such as heat pumps. The scheme is open to domestic and small non-domestic properties. Organisations can get:

- £5,000 off the cost and installation of an air source heat pump
- £5,000 off the cost and installation of a biomass boiler
- £6,000 off the cost and installation of a ground source heat pump

- [Green Heat Network Grant \(GHNF\):](#)

*Live: Phase 3 of application is open until 25 November 2022.*

The GHNF is a 3-year £288 million capital grant fund that will support the commercialisation and construction of new low and zero carbon heat networks, and the retrofitting and expansion of existing heat networks. The scheme is open to public sector organisations including NHS Trusts and universities, private, and third sector organisations.

The GHNF will fund up to (but not including) 50% of a project's total combined commercialisation and construction costs. Round 3 of the scheme is open to applications until 25 November 2022, and there will be a series of quarterly application rounds until the scheme closes in 2025.

- [Public Sector Decarbonisation Fund \(PSDS\):](#)

*Closed; additional PSDS rounds expected in 2023*

PSDS provides grants to [public sector organisations](#) to fund implementation of heat decarbonisation and energy efficiency measures.

Phase 3 of the scheme offered £1.425 billion of grant funding over the financial years 2022-2023 to 2024-2025. PSDS has no cap on projects' funding allocation. However, organisations must match fund the project at a minimum of 12% of the total project costs.

PSDS funding is allocated on a first-come, first-served basis. Applicants can submit separate applications for individual decarbonisation projects or include several projects in one application. Find more information about eligibility criteria here and list of eligible technologies [here](#).

Phase 3b was open for applications from 12 October – 31 October 2022. Successful applicants will be notified by the end of January 2023.

## 2. Greater London Authority (GLA) financing/funding

- [The Mayor of London's Energy Efficiency Fund \(MEEF\):](#)

*Live: Applications open until 31 May 2023.*

MEEF is a £500m investment fund, established by the GLA with funding from the European Commission supporting projects that deliver new low carbon technology or upgrade existing infrastructure. MEEF can provide senior debt, mezzanine debt or equity, depending on the requirements of the project and is open to Local Authorities, NHS, Registered Providers, Education (Higher and Further), Charity, Voluntary, ESCo and SME sectors. MEEF targets investments from £3m to £20m but will consider investments of £0.5m+.

For more information please contact: [meefinfo@amberinfrastructure.com](mailto:meefinfo@amberinfrastructure.com)

- [The London Community Energy Fund \(LCEF\)](#)

*Currently Closed: future rounds possible*

The LCEF supports the development of community energy projects and provides capital grants to help deliver new projects. The fund has made grant offers of over £1.5m across five rounds since 2017 to support over 139 projects and led to the installation of over 2.3 MW of Solar PV capacity.

The fund is particularly targeted at small organisations with charitable aims operating in London. Funding is available for a broad range of projects that include renewable energy generation and energy saving measures and that demonstrate a benefit to a community.

The fund offers grants of up to £15,000 towards feasibility studies and development work to get projects to an investor ready state. It offers £50,000 to cover up to one third of the capital project costs on delivery projects.

For more information please contact: [greg.shreeve@london.gov.uk](mailto:greg.shreeve@london.gov.uk)

- [Mayor of London's Green Bonds:](#)

*Not yet live; expected in 2023*

The Mayor has committed £90 million to support green bonds with the aim of unlocking over £500 million for zero-carbon projects. The GLA plans to use £4 million to develop high-impact green investment opportunities; and £86 million to finance direct decarbonisation investments by the GLA Group and strategic partners.

The planned green bonds will support energy efficiency improvements to public buildings and social housing, as well as projects providing solar PV, district heating networks, and electric vehicles and charging infrastructure.

- [Warmer Homes Programme:](#)

*Live: Applications open*

The Warmer Homes programme provides free heating, insulation and ventilation improvements for low-income Londoners who own their own homes or rent privately. The programme provides grants of between £5,000 and £25,000 to implement measures in domestic properties such as heat pumps, insulation for walls, lofts and floors, heating system improvements or repairs, draughtproofing, solar energy installations.

Warmer Homes is targeted at low-income Londoners, and eligible domestic properties must have EPC rating of D, E, F and G. Although public institutions are not the main target of the programme, they can signpost the free support to relevant stakeholders or staff.

Within this programme we have a £2m cap on working with social housing and any work with social landlords will be done via their own contractors. In total this represents over £36m of improvement to owner-occupied and privately rented homes and £2m of improvement to socially rented homes

For more information please contact: [king.abeyie@london.gov.uk](mailto:king.abeyie@london.gov.uk)

### 3. Boroughs' carbon offset funds

- Some boroughs provide funding for decarbonisation and energy efficiency initiatives through carbon offset funds. These funds are raised from any new developments which are unable to fully meet the carbon savings required at the development site. Contact your local council to assess whether funding is available in your borough and if your organisation is eligible to apply.

## **Technical Support**

Assessing and developing decarbonisation projects can be complex and funding schemes usually require feasibility studies to allocate grants/financing. You can find guidance on available support to deploy a pipeline of projects from pre-design to implementation stages here:

### 1. UK government technical assistance

- [Heat Networks Delivery Unit \(HNDU\):](#)

*Live: Round 12 of applications is open until midday 30 December 2022.*

The HNDU provides grant funding and guidance to public, private and third sector organisations in the UK for heat network project development. The programme provides support with techno-economic feasibility and detailed project development.

Public sector bodies such as local authorities, NHS Trusts, universities, and other government departments are eligible to apply. HNDU will fund up to 67% of eligible costs, with the exception of project management costs, which may be fully funded.

## 2. Greater London Authority (GLA) technical assistance

- [Retrofit Accelerator Workplaces \(RA-W\)](#):

*Live: Applications to RA-W will be open until March 2023.*

RA-W provides no-cost technical assistance to decarbonise non-domestic public buildings/assets.

The Accelerator helps a range of organisations including London boroughs, NHS bodies, central government departments, schools and other educational establishments, and cultural and heritage organisations to implement retrofit projects.

RA-W offers:

- expert consultancy advice
- energy benchmarking
- support accessing funding and financing
- support to assign contractors and procure through RE:FIT energy performance contracting framework, which guarantees energy and carbon savings, training and capacity building.

The process for an organisation to go from initial assessment to deployment of energy works typically takes about 9 months. For more information please contact: [philippa.ellis@london.gov.uk](mailto:philippa.ellis@london.gov.uk) or [matthew.thomas@london.gov.uk](mailto:matthew.thomas@london.gov.uk)

- [Local Energy Accelerator \(LEA\)](#):

*Live: Funding is allocated on a first-come, first-served basis; all LEA programme expenditures will be complete by July 2023.*

LEA supports organisations to develop clean and locally generated energy projects, with total funding of £6m.

LEA is open to public sector institutions including all London Borough Councils, educational establishments, the GLA group, and private sector organisations. The programme funds technical, commercial & financial, project management for projects in their final stages as they must be constructed and operating by July 2023.

A team of consultants provides end-to-end project management support to users, including business planning, project design and development, procurement, and commercialisation. Eligible projects include district energy networks using renewable heat sources and energy technologies such as heat pumps, solar panels, batteries and smart electric vehicle charging.

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