CARES enablement grant
Supplementary guidance

Introduction

This Supplementary Guidance Note has been prepared to support potential applicants to the Scottish Government's enablement grant. This grant scheme is part of the Scottish Government's Community and Renewable Energy Scheme (CARES) which is administered by Local Energy Scotland.

If you are still developing your project proposal we would recommend that you first read the CARES Funding Information and Guidance pack, which provides you with an overview of the CARES funding streams available to you and how to apply, and then complete a Project Proposal Form to let the team at Local Energy Scotland help you to apply for the right package of support.

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Enablement grant purpose

The Scottish Government's CARES enablement grant provides funding of up to £25,000 and has been designed to help community groups or other eligible applicants to:
- develop locally owned renewable and local energy system projects.
- explore shared ownership opportunities
- maximise the impact from community benefit funds

Whilst we expect most applications to be for early stage project work, organisational set up and project planning, applications can still be submitted for projects which are more advanced. Feasibility work that demonstrates project viability may lead to eligible projects applying for additional CARES grants and loans to progress further.

Enablement Grant Key Features

- Maximum Grant Award available is:
  - Up to £25,000 on a 100% grant basis for Community Groups.

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- Up to £25,000 on a 60% grant basis for Housing Associations, Local Authorities and National Organisations.
- Small Enablement Grant – Up to £5,000 can be awarded for eligible small single projects or small single, discrete elements of larger projects, via a separate short application form process. For example, a feasibility report for a renewable energy installation for a community building, legal advice for a shared ownership project memorandum of understanding, or a community consultation or community action planning exercise as part of a larger project. Projects that apply for a Small Enablement Grant are then expected to move directly on to a CARES Local Development Fund or Local Capital Fund application, not a larger enablement grant. The only exception to this is for Shared Ownership projects which can apply for one Small Enablement Grant and one Enablement Grant.
- Ineligible organisations: Commercial Organisations, Government Agencies, individuals or for-profit Private Enterprises.
- Simple application process – including a short application for grants under £5,000.
- Payment of grant is made against evidence of expenditure and compliance with agreed project reporting requirements.
- Please note, the enablement grant **cannot** be used for capital works.

What can be funded through an enablement grant

- Start-up costs towards forming a constituted group to take forward a renewable energy project.
- Feasibility studies, including testing innovation in local energy
- Legal constitution of a community group
- Investigation of shared ownership project opportunities
- Development of community action plans to utilise community benefit payments.
- Community consultation.
- Community capacity building.
- The development of community investment plans.
- Learning journey to visit other community renewable projects.

Applicants must demonstrate "additionality", i.e. that the proposed work could not proceed without this.

Assessment Process

- Applications will be supported by your Development Officer who will complete an appraisal form assessing the application. Your application will then be independently assessed by the Local Energy Scotland management team who will make a decision on whether to approve or reject. The decision of Local Energy Scotland is final and there is no right of appeal to the Scottish Government on any funding decision although you will be provided with feedback and could be invited to re-apply.
- All applicants will be contacted by Local Energy Scotland within 2 working days of the decision having been made.
- For those applications which are approved for funding applicants will be issued a Grant Offer Letter which will include a claim profile.

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Annex 1 – guidance shared ownership applications.

Shared ownership is where a community group invests in a privately-owned renewable energy project. Local Energy Scotland has dedicated support for communities who are exploring shared ownership of a renewable energy project including a dedicated Shared Ownership Project Manager and a team of Local Development Officers. The benefits of shared ownership include:

- **Communities** get the chance to share in the wealth generated by the renewable resource in their area and create a sustainable income stream that they have control over.
- **Developers** get the chance to increase community engagement, access incentives such as rates relief and possibly add value to their planning application.

If you wish to explore shared ownership opportunities for your project, a [Local Energy Scotland Project model](#) is available which shows you how a shared ownership project could be developed. A dedicated [Shared ownership financial model](#) will also help you to develop your project. Our [Shared Ownership Manager](#) will be pleased to assist you with the development of your enablement grant application.

Annex 2 – guidance community benefit support applications.

Community organisations can apply for enablement grant funding to assist their community where it is in receipt, or due to be in receipt of funds from renewable energy projects. Such income may come in the form of

- community benefit payments from commercial renewable energy operators,
- income from a community's part-share in ownership of a renewable energy project, or
- surplus income from a project that is wholly community owned.

In addition to CARES eligibility criteria the following additional criteria will also apply to community benefit related projects:

- The community must be in receipt of, or due to receive, an income stream from a renewable energy generator, evidenced by an agreement, or intention to enter into one, with the developer, generator or with a third-party administrator.
- The applicant's constitution or articles of association must show that anyone in the community served by the group can become a member of the group.
- The applicant is not expected to have access to other available, unallocated funds that could be used to carry out the work, including unallocated community benefit monies.
- Where the application is towards identifying fund spending priorities (see below), any relevant existing community engagement and planning activity should be taken into account. The application must demonstrate how this is being done. If there are existing relevant plans or processes that the application is not building on, you must explain why.
- Where multiple communities are in receipt of community income (from a single generator or multiple renewable energy generators), they should consider working together, for example to carry out an integrated public consultation that identifies common spending priorities, or a fund arrangement that serves all the communities

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in question. This could create cost efficiencies and has the potential to produce a better outcome, for example to significantly increase the impact from community benefit funds. Where this is not possible or appropriate applicants must provide justification for applying separately.

The amount of funding offered to communities for community benefit related work typically varies from around £5,000-£25,000 depending on the scale and scope of work the applicant is seeking to undertake and the scale of the community income stream/s that are, or will become, available to the community. If you are considering submitting an application you should contact your local Development Officer who will be able to guide you through the process and advise you on the level of funding you should be seeking to apply for.

Examples of the types of activity that an Enablement grant can support for community income opportunities are detailed in the below table. These have been separated into three categories: fund governance, achieving impact and taking stock. Note the list of activities given is not exhaustive – other relevant work may also be eligible and should be discussed with your Local Development Officer.

Category	Description	Example Activities
Fund Governance NOTE: in some cases the activities under this category will be pre-determined by the developer and/or funded by them prior to CARES application. This should be fully explored with the developer in the first instance.	Identifying and putting in place the most appropriate fund governance arrangements, relevant to the income opportunity/ies in question. Ensuring ongoing fund management and administration processes are fit for purpose (proportionate, accountable, etc.).	• Working with developer(s) and others to identify and engage the community that will benefit, including identifying relevant stakeholders. • Advising on or supporting the formation of governance / decision-making structures (may include legal entities) and processes that are accountable to the community and other stakeholders. • Establishing agreements - between developers and communities and/or between either of these and third parties who may support fund administration. • Agreeing Fund strategy; the criteria and methods for distribution of funds. • Identifying and putting in place fund disbursement systems (e.g. open grant making, participatory budgeting, commissioning services directly) that are relevant, proportionate, accountable and so on. • Identifying and putting in place financial management systems and procedures that are relevant, proportionate, accountable and so on. • Embedding appropriate systems for measuring and reporting on the impact of fund expenditure.
Achieving Impact	Identifying and prioritising local needs, aspirations and opportunities	• Desk-based research to develop an understanding of key community characteristics, demographics and existing community services. • Consultation with relevant stakeholders (mainly the community, but external agencies too) to identify priorities, through e.g. surveys, participatory workshops

		or focus groups, photo competitions, etc. May include costs of venue hire, printed materials, travel expenses, etc.
		• Awareness raising campaign e.g. events, local press, social media etc.
		• Production of a community profile report and/or action plan, documenting findings, key spending themes and priorities, and potentially projects to target funding towards.
Taking Stock	Reviewing the operation and impact and of a Fund that has been in existence for 3+ years, and identifying how relevant processes and activities may be improved.	• Review key information including on governance structures, distribution strategy, award making and other administrative processes, grants made and their impact etc.
		• Identify and consult with relevant stakeholders to find out their expectations, experiences and views.
		• Prepare a report on the findings and any recommendations to bring the Fund in line with identified good practice.