

# Cabinet Report



Report of Head of Policy and Programmes

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Wards affected: All

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To: CABINET

Dates: 16 February 2024

## Vale of White Horse Climate Action Fund - Policy and Guidance

### Recommendation

To consider the outlined changes to the Vale Climate Action Fund (CAF) Policy and Guidance as set out in Appendix A and resolves to implement these changes for the 2024/25 round.

| Implications<br>(further detail<br>within the report) | Financial    | Legal         | Climate and<br>Ecological | Equality and<br>diversity |
|---|--------------|---------------|---------------------------|---------------------------|
|   | Yes          | No            | Yes                       | Yes                       |
| Signing off<br>officer                                | Roger McLoed | Patrick Arran | Chloe<br>Bunting          | Lynne Mitchell            |

### Purpose of report

1. To brief Cabinet on the proposed updates to the Policy and Guidance for the Vale CAF. The Climate Emergency Advisory Committee (CEAC) considered this paper at its meeting 07 December 2023 and recommends the proposed changes as outlined to Cabinet.

### Corporate objectives

2. The CAF invites applications for projects which will inspire and deliver action to address climate change. The guidelines state that projects should contribute to the achievement of the council's Corporate Plan priorities (2020-24): tackling the Climate Emergency, building healthy communities and working in partnership.

## Background

3. At Full Council on 12 February 2020, the Council approved a £50,000 budget for 'Community Climate Initiatives' to help tackle climate change.
4. The CAF was subsequently developed as a mechanism to distribute this grant to communities for climate action projects. The Policy and guidelines for the fund were approved by Cabinet on 4 February 2022. At Full Council on 16 February 2022, an extension of the previously agreed one-off growth bid to support community initiatives in response to climate change was agreed, and £50,000 was allocated for the next five years, to 2026/27.
5. The total CAF grant available was increased at Full Council on 15 February 2023, where it was agreed to increase the original £50,000 p.a. budgetary allocation for the Climate Action Fund to £100,000 for the next five years, to 2027/28.
6. The approach taken by officers when scoping and creating the policy and guidance for this fund, was one of accessibility and inclusivity, in order to capture a wide range of applications from across the Vale of White Horse, regardless of where groups and residents are currently at on their climate action journey.
7. Since the Fund's inception, three rounds have been delivered, across years 2021/22 (£50,000 grant fund), 2022/23 (£50,000 grant fund) and 2023/24 (£100,000 grant fund). Across these three rounds, a total of £149,277 has been awarded to 42 community climate action projects in the Vale of White Horse.

## Main subject of report

8. This report outlines proposed updates to the CAF Policy and Guidance, to be implemented for the 2024/25 round. In addition, there are proposed revisions to the 'standard conditions' and 'monitoring the grants' sections, which would be implemented from January 2024, which would also apply to current CAF projects (those funded in 2023/24). These relate to requests from CAF grant holders for changes to an agreed project and extensions to the project timeline. These are described in more detail in paragraph 15 and 16. Any existing grant recipients that are affected by these changes would be informed in writing.
9. A copy of the amended policy document is attached as appendix **A**, with changes highlighted in yellow for clarity. The changes detailed in Appendix A and within this report have arisen from the experience officers' have gained through delivery of the last three CAF rounds, and due to changes to the total amount of grant funding available as a result of the February 2023 Council decision.
10. **Basic rules of the scheme** – It is proposed to increase the maximum grant organisations can apply for from £5,000 to £10,000. Increasing the maximum grant available to organisations will allow for larger projects to be funded from this grant scheme. For example, it would allow the fund to support more community energy projects at village halls which will have the greatest carbon emissions reduction impact.
11. **What kind of work/services can we fund?** – It is proposed that the description of projects which we can fund is widened to include climate adaptation as well as mitigation projects. Whilst the previous Policy and Guidelines did not specifically exclude adaptation projects, it was not specific in encouraging applicants to come

forward with these types of proposals. Mitigation and adaptation are the two accepted approaches to responding to climate change.

12. **Project examples** – Included in the revised Policy and Guidelines 2024/25 are additional examples of projects which reflect current priorities, for example increasing electric vehicle infrastructure to support a transition to low emission vehicles. The examples have also been widened to highlight how to share learnings and engage with the wider community and create a ripple effect of climate action. In early 2023, the climate and nature webpages on the council website were comprehensively updated and now include a significant amount of additional information which will help applicants. Prospective applicants are also encouraged to discuss potential projects with the climate and biodiversity team.
13. **What we will not fund** – Proposed amendments to this section reflect learnings from applications received in the previous three rounds and are intended to provide increased clarity for applicants. For example, in reference to refreshments – the previous Policy excluded alcoholic refreshments only (thus inferring other refreshments are an eligible cost). It is proposed that this element is clarified and reviewed on a case-by-case basis with priority being given to projects that use refreshments from local food surplus organisations (supporting the reduction of waste principles) and support the principals of the Oxfordshire Food Strategy.
14. **Standard conditions** – If an applicant requests a change to their project after the grant has been awarded then, minor revisions would be agreed by officers with only more significant changes requiring approval by a Service Manager.
15. **Monitoring the grants** – The first round of CAF grants was awarded in June 2022. The standard conditions of the grants ask projects to complete within 12 months of award. Consequently, the first year of CAF projects ended in June 2023 and of the 13 projects awarded, three projects requested project extensions (which is allowed under the Policy). The current Policy required project extensions of longer than three months, to be approved by the Head of Service and three Delegated Authorities were completed. All three projects requiring extensions had understandable reasons; for example, two of the projects were seasonal projects which sought to improve the energy efficiency of homes. This work is best undertaken in colder weather when heat loss and draughts are most identifiable and resident demand is higher. Therefore, the projects requested a carry forward of funds to continue the projects next autumn. Six-month extensions were sufficient in all three cases. It is therefore proposed that officers can use their discretion for awarding extensions of up to six months going forwards, to reduce the administration burden and delays for the receiving organisations. For extensions of over six months, it is recommended that these are approved by the Community Wellbeing Service Manager, as per a Delegated Authority officer decision notice 16 November 2023, to delegate authority to the relevant service manager to approve grant term extensions for the various grant schemes across South and Vale.

## **Financial Implications**

16. At Full Council 15 February 2023, the Climate Initiatives grant scheme was allocated £100,000 per annum for the next five years, to 2027/28. The changes proposed in this report do not have any implications for the total budget spend.
17. Any council decision that has financial implications must be made with the knowledge of the council's overarching financial position. For Vale, the position reflected in the

council's medium-term financial plan (MTFP) as reported to full Council in February 2023 showed that the council was able to set a balanced budget for 2023/24, but that there is expected to be a budget gap in future years. However there is great uncertainty over this caused by a lack of clarity from government.

18. The future funding gap is predicted to increase to over £7.8 million by 2027/28, based on current cautious officer estimates of future funding levels. Whilst it is anticipated that overall funding for the council will remain relatively unchanged in 2024/25, the lack of certainty on future local government funding from 2025/26 onwards means the level of funding, and the resulting estimated funding gap, could be significantly different from current officer estimates in either a positive or negative way. Every financial decision, particularly those involving medium-term funding commitments (i.e. those beyond 2024/25), needs to be cognisant of the potential for significant funding gaps in future years.

### **Legal Implications**

19. There are no legal implications arising from this report.

### **Climate and ecological impact implications**

20. This fund addresses the climate emergency by seeking to fund projects which actively tackle climate change and/or enhance biodiversity across the Vale. The fund supports the council in achieving its climate emergency targets and aspirations set out in the Corporate Plan 2020-24 and Climate Action Plan 2022-24.

### **Equalities implications**

21. The CAF Policy and Guidelines outlines that we will not fund projects that don't align with the council's equalities objectives and/or the Equality Act 2010.

22. The standard conditions of a grant award also states that the receiving organisation must have appropriate policies in place and comply with equalities legislation.

### **Risks**

23. There is a risk that by increasing the maximum grant to £10,000 per project, that the funding round would be oversubscribed. Officers assess the applications using a scoring matrix and if a funding round was oversubscribed then only projects with the highest level of scoring would be funded, ensuring the CAF is supporting high quality and deliverable projects. The first funding round 2021/22 was oversubscribed, and unsuccessful applications were offered feedback on their application and signposted to alternative sources of funding where appropriate.

### **Other Implications**

24. None identified.

### **Conclusion**

25. Advise that Cabinet approves the proposed changes to the CAF Policy and Guidance, to be implemented for the 2024/25 round.

## **Background Papers**

- **Appendix A** - Climate Action Fund Policy and Guidance 2024/25