

Low Carbon Buildings Programme – Frequently Asked Questions

What is the Low Carbon Buildings programme (LCBP)?

The LCBP will provide grants for microgeneration technologies for householders, community organisations, schools, the public sector and businesses.

What are the aims the programme?

There are 4 mains aims for the programme:

1. To support a more holistic approach to reducing carbon emissions from buildings by demonstrating combinations of both energy efficiency measures and microgeneration products in a single development.
2. To see demonstrated on a wider scale emerging microgeneration technologies (with a focus on building integrated technologies).
3. To measure trends in costs of microgeneration technologies. It is expected that these costs should reduce over the lifetime of the programme against a 2005 baseline.
4. To raise awareness by linking demonstration projects to a wider programme of activities including developing skills and communicating the potential of microgeneration to change the attitudes and behaviour of consumers. Larger scale projects will seek to engage the construction industry in project replication by demonstrating the business case for developing low carbon buildings.

How does this differ from PV and Clear Skies?

This programme differs in that it is aiming to promote a more holistic approach to reducing carbon from buildings by encouraging applicants to consider Energy Efficiency alongside microgeneration.

How much funding is available and over what period?

In November 2005, the Energy Minister, Malcolm Wicks announced a new £30 million budget over 3 years for the LCBP. In March 2006's budget statement, it was announced that there would be a further £50 million for the programme.

Of the £30 million budget, £1.5 million was carried forward to ease the transition between the PV and Clear Skies programmes,

When is the programme due to start?

The programme is planned to start in April 06 but is subject to State Aid approval for grant applications from businesses

What is State Aid?

State Aid can be regarded as governmental financial support. In the context of this programme this is allowed when such support is necessary to ensure environmental

protection and sustainable development. However this aid must be carefully managed so that it does not create unfair competition in the market and distort economic growth. Once the programme has received State Aid clearance, grants for businesses will be available.

What is the Energy Saving Trust's role in the programme?

The Energy Saving Trust has been appointed to manage the programme on behalf of government (DTI) and will be responsible for administering the capital grants to eligible applicants.

Who will be able to apply for grants?

The programme will have distinct funding streams targeted at different groups:

- Stream 1 – for individual property owners including private householders and small to medium enterprises to install microgeneration on small buildings
- Stream 1 – for non-profit community organisations such as registered charities, community groups, local authorities, schools to install microgeneration on community buildings.
- Stream 2 – for applications for large projects from non-profit community organisations as above plus businesses, building developers, energy services companies, and the public sector to install microgeneration on large-scale building projects

How much is available for each funding stream?

			Total
Stream 1	Householders	£6.5 million	£10.5 million
	Communities	£4 million	
Stream 2	Retrofit	£6 million	£18 million
	New build & refurbishment	£12 million	

N.B. The Energy saving Trust is still awaiting further information on how the additional £50 million will be allocated through the programme

How will the application process work?

Stream 1 – Individual householders and small businesses

Applications are accepted on a rolling first-come-first-served basis in a similar way to the existing programmes.

An outline of the process is as follows:

- If you believe you are eligible and have chosen your technology and installer (see later), you can apply using either paper forms or via an on-line system.
- Provided funds are available and you are eligible, your application will be approved.
- You can then proceed with the installation.
- Once the installation is complete, you submit your grant claim
- Provided the claim is valid, your grant will be paid. Grants are not paid in advance.

Please note that you can place an order with your installer prior to receiving approval for your grant application but you do so at your own risk. This is because we cannot guarantee that your grant application will be approved until you complete the application process.

How long will it take to apply and claim for my grant?

The entire Stream 1 – Individual householder process, from application to claim will take up to 30 working days. This is excluding the time it takes for system installation. However, this time will come down once the online application system is ready.

Stream 1 – Community projects and Stream 2

Applications will be accepted through a competitive tender process.

The call for applications will happen quarterly. The date of the calls will be published each year. Applications submitted will be judged on a competitive basis against given criteria so that the best projects can be selected for funding. This will be done by an independent panel of experts.

When will the Energy Saving Trust be accepting grant applications?

- Stream 1 – Individual householder & small business grant applications will be able to apply from 24th April '06
- Stream 1 – Community - the call for applications will be in May '06
- Stream 2 – the first call will be confirmed once State Aid approval has been received from the European Commission, but we hope to have the first call in June 2006.

A set of dates for all of the funding rounds in 2006/'07 will be published as soon as possible.

Is the same amount available for each technology?

No, there are different grant levels for different technologies reflecting the different stages of their market development. See table below.

What levels of grants will be available?

Stream 1– Individual householder & small businesses

Grant levels will be as follows and will be regularly reviewed as the market for each technology develops:

Technology	% Grant available
Solar photovoltaics	Maximum £3,000 per kWp installed subject to an overall 50% limit of the installed cost (exclusive of VAT)
Wind turbines	Maximum £1,000 per kW installed, up to a maximum of £5,000 subject to an overall 30% limit of the installed cost (exclusive of VAT)
Small hydro	Maximum £1,000 per kW installed, up to a maximum of £5,000 subject to an overall 30% limit of the installed cost (exclusive of VAT)

Solar thermal hot water	Maximum £400 regardless of size subject to an overall 30% limit (exclusive of VAT)
Ground source heat pumps Water and air source heat pumps	Maximum £1,200 regardless of size subject to an overall 30% limit (exclusive of VAT)
Bio-energy 1. Room Heater/Stoves automated wood pellet feed 2. Wood fuelled boiler systems	Maximum £600 regardless of size subject to an overall 20% limit (exclusive of VAT) Maximum £1,500 regardless of size subject to an overall 30% limit (exclusive of VAT)
Renewable CHP	Grant levels to be defined
MicroCHP (Combined heat and power)	Grant levels to be defined
Fuel cells	Grant levels to be defined

Stream 1 – Community

Grants will be up to 50% of the capital and installation cost of the microgeneration technologies installed and is currently set at a maximum of £50,000. These grants will be awarded competitively.

Stream 2 grants are further subdivided as follows:

- Category 1 – for large retrofit projects grants will be up to £100,000 per project
- Category 2 – for major refurbishment and new build projects grants will be available of up to £1 million per project.

The proportion of eligible costs that will be grant funded will be constrained by State Aid requirements but is likely to be up to a maximum of 40% of the capital and installation costs of the microgeneration technologies installed. NB Energy efficiency advice for Stream 2 - category 2 applicants will be undertaken by the Carbon Trust, and will be part of the eligible costs and will therefore count as State Aid.

[Can I apply more than once for the same project for different technologies?](#)

You can apply for funding for more than one technology on the same building.

[What if the grant applications are for different addresses?](#)

The programme is focused on maximising the number of low carbon buildings and applications for a different address are eligible.

[I have an offer of grant under the existing schemes \(Clear Skies and PV schemes\), can I have a grant from the LCBP too?](#)

Yes provided it is for another technology. You **cannot** have more than one grant from this or the previous programmes for the same technology. However, applications for a grant for a different technology within the same project will be allowed.

[I live in Scotland / Northern Ireland, can I also get a grant from the schemes operating here?](#)

You will **not** be allowed to receive a grant from the LCBP along with a grant from the Scottish Community and Household Renewables Initiative (SCHRI) or the new Northern Ireland scheme being developed for the same project or installation; i.e. double funding for projects will not be allowed.

Is there anything I can be doing to prepare to make a grant application?

If you are considering a grant application under Stream 1 – Individual householders & small businesses, you can be preparing now as follows:

1. A condition of the grant will be that you have installed a basic level of energy efficiency measures because, if you haven't, you will be wasting money by considering microgeneration first. You should endeavour to minimise your energy requirements through cost-effective energy efficiency measures as far as possible **before** you consider installing microgeneration technologies.

Minimum requirements for applying will be:

- a. You have a minimum of 270mm of [loft insulation](#)
- b. You have installed [cavity wall insulation](#) (if you have cavity walls)
- c. You are using [low energy light bulbs](#) in all appropriate light fittings
- d. You have installed basic [controls for your heating](#) system to include a room thermostat and a programmer or timer.

To help you to assess all of the energy efficiency measures that you should consider we have developed a Home Energy Check which can be accessed here at this website:

www.est.org.uk/myhome/whatcan/hec/

2. Installations must be carried out by accredited installers (DIY is not allowable). For details of accredited installers, please see the existing schemes' websites (www.clear-skies.org or www.est.org.uk/solar). You could therefore be obtaining quotes now for your chosen technologies.
3. Grants will not be eligible for installations completed before the grant has been approved.

What are the criteria for receiving a grant?

We are currently only able to publish the criteria for Stream 1 – Individual householder & small business grants; which are:

1. Applicants must be the householder / owners of the property for which the grant is applied for (or for long-term tenants / leaseholders for household applicants).
2. Applicants will be resident of the UK. Grants are not available to residents of the Channel Islands or the Isle of Man.
3. The property must be located within England, Wales, Northern Ireland or Scotland.
4. Systems must supply a permanent building (mobile homes, caravans, house boats etc. are not eligible).
5. You have installed the basic level of energy efficiency measures as outlined above. You may be able to access grants for energy efficiency measures - Have a look at our grant information database at www.est.org.uk/myhome/gid/

Which technology is right for me?

Renewable energy systems are dependant on the building's location and type; therefore it is difficult to give a generic answer. Please visit our renewable energy wizard at www.est.org.uk/myhome/generating/how/ for more information. As the programme progresses more detailed information on suitable technologies for given house types will be made available on the programme website. Case studies of previously funded microgeneration installations can be found at:

www.clear-skies.org/communities/CaseStudies.aspx and
www.est.org.uk/myhome/casestudies/

When will grant application forms be ready?

Paper application forms for Stream 1 – Individuals will be ready from 24th April '06.

How can I register to receive a grant application form?

Online registration will be available from 24th April. Contact the call centre on 0800 915 7722 to receive information in the post.

I'm an accredited installer for the PV / Clear Skies - am I accredited under the LCBP?

Yes, although the DTI will be setting up a new accreditation scheme which, once ready, will take over the accreditation of installers authorised to install systems under this programme. The new accreditation scheme will build on the existing accreditation schemes.

I can't find an installer for Fuel Cells, Renewable CHP or Micro CHP?

The current accreditation schemes do not cover these technologies. The new scheme detailed above will do so eventually after appropriate standards have been developed.

Why did the government set up the programme?

The LCBP has been developed in response to the recommendations of the Renewables Innovation Review (2004) which looked at the potential for renewable products and barriers to their uptake. The review identified the potential for microgeneration technologies and suggested that the environmental benefits in buildings could be maximised by developing an appropriate mix of building integrated microgeneration and energy efficiency technologies. The LCBP is designed to take a holistic approach to reducing carbon emissions from buildings by supporting innovative combinations of microgeneration and energy efficiency.

The DTI has set up the Low Carbon Buildings programme to supersede the current DTI grant schemes (Major PV Demonstration programme and Clear Skies) which support micro renewable technologies. The new programme will support projects seeking to reduce carbon emissions from buildings through a combination of energy efficiency measures and the installation of microgeneration technologies. The programme should be seen in the context of the wider microgeneration strategy (due for publication by DTI in April 2006) providing a holistic approach to developing a sustainable market for the microgeneration industry.

The programme will provide capital support for the installation of microgeneration technologies (see list below) and aims to raise awareness of the benefits of combining these technologies with energy efficiency measures to deliver low carbon buildings.

Where can I get more information?

www.lowcarbonbuildings.org.uk or telephone: 0800 915 7722