

## Examples of external funding for public sector energy initiatives

### EU

#### Concerto

Concerto is a major new EU initiative funded under the 6<sup>th</sup> Framework programme which will support local communities in developing schemes that are both sustainable and highly energy efficient. The first funding round awarded 40 million euros across eight projects, each involving three city sites. A second round is to commence for 2005 shortly.

### National

#### Community Energy Programme

The government's Community Energy programme has a grant fund of £50 million to support community heating schemes in the public sector across the UK. It has awarded £42m in capital and development funding to date. This programme is now to continue to at least March 2008 and a recent announcement was made to provide another £10m of funding towards this programme.

#### Solar Grants Scheme

The four-year PV programme seeks to make considerable headway in preparing a secure market platform for long-term and sustained growth. With grant funding available to a wide audience, it is hoped the technology will become an attractive investment for domestic to large corporate customers. Long-term sustained investment could result in a ten-fold increase in photovoltaic installations by 2005. The programme should also result in a reduction in the costs of installation for the future. Substantial grants of between 40 and 50 per cent are available towards the installation of solar electricity equipment, whether you're a householder, business or social housing group.

#### Transport:

##### PowerShift grants

These fixed grants provide funding to help with the cost of buying a new cleaner vehicle (for example: an electric car) or converting an existing vehicle to run on cleaner fuels (for example: liquified petroleum gas - LPG).

##### CleanUp grants

CleanUp grants are available to UK operators of commercial and public sector diesel vehicles (such as black cabs, lorries, buses, emergency vehicles and refuse trucks) to assist with the cost of fitting emission reduction technologies.

### Enhanced Capital Allowances

Whilst not a grant Enhanced Capital Allowances (ECAs) enable a business to claim 100% first-year capital allowances on their spending on qualifying plant and machinery. There are three schemes for ECAs:

- Energy-saving plant and machinery
- Low carbon dioxide emission cars and natural gas and hydrogen refuelling infrastructure
- Water conservation plant and machinery

Businesses can write off the whole of the capital cost of their investment in these technologies against their taxable profits of the period during which they make the investment.