

Growing demand for community eco-heating schemes generates largest ever grant allocation

- Over £16m for energy efficient projects in the public sector -

The Government's energy saving targets were given a huge boost today as over £16 million of grant funding was approved to help launch eco-friendly, community heating projects owned by local authorities, housing associations and universities across the country. This is the largest ever Government funding round awarded for projects of this kind to date.

The results of this latest funding round, announced today by the Energy Saving Trust (EST) and Carbon Trust, will benefit households, including those suffering from fuel poverty, and reduce carbon emissions, helping the UK meet its environmental targets and contributing to a cleaner Britain.

Grants will help fund community heating schemes under the Government's £50 million Community Energy programme. Community heating substantially reduces energy bills and combats both greenhouse gases and fuel poverty by using a heat network supplying more than one building or customer.

One example of a scheme that has already benefited from the Community Energy programme, is the community heating and combined heat and power (CHP) system run by Aberdeen City Council. Faced with issues of hard to treat properties and fuel poverty, the Council successfully applied for a Community Energy grant to upgrade four multi-storey blocks in Stockethill. The improvements have **reduced fuel bills and CO2 emissions by 40 per cent** and enabled the Council to meet the obligations of the Home Energy Conservation Act, by providing affordable, sustainable, safe and environmentally sound heating for its tenants. The Council is already looking towards future schemes, including a primary school, leisure complex and university buildings.

The success of schemes such as Aberdeen's have contributed to an increase in grant applications and the overall success of the programme has meant that, since the scheme's inception in 2001, nearly £44 million of the Government's original funding has been allocated for community energy projects. An encouraging number of applications were received in the last bidding round, which closed on 31 July. Due to this increased market demand, it is unlikely that further bidding rounds will be held until a Government announcement, expected in the autumn.

EST's Chief Executive Philip Sellwood said:

"We are delighted to award this record level of funding as it reflects the increased level of commitment that these local authorities and universities have towards improving community heating facilities.

"The significant increase in grant applications demonstrates the success of grants in helping to stimulate and grow the market for environmentally friendly and economically efficient community heating schemes."

David Green, Director, Combined Heat and Power Association (CHPA), said,

"This grant funding for community heating schemes across the country indicates that the Community Energy Programme is on track to meet its target of reducing carbon emissions, countering the threat of climate change, as well as bringing affordable warmth to families affected by fuel poverty. This is true sustainable energy."

The details of the successful schemes are due to be announced by the Department for Environment, Food and Rural Affairs on 16th September.