

CLIMATE CHANGE FUNDS - REVENUE

Terms of Reference

OVERVIEW

1. The primary aim of this fund is to provide funding for initiatives in the Isle of Man that support the objectives of achieving net zero carbon emissions by 2050 or any interim target. The fund was committed to by the Council of Ministers in the Phase One Climate Change action plan.
2. The Funds will be available to the Climate Change Transformation Programme, and Government Departments, Boards and Offices through the Climate Change Transformation Team and Board.
3. Bids are invited and considered where the costs and potential carbon emissions reductions are clearly defined (where possible), and where the key deliverables underpin the delivery of the Council of Ministers Climate Change Plan by reducing greenhouse gas emissions and increasing sequestration.
4. Bids for Capital funding should be directed to the Climate Change Mitigation Initiatives Fund, which has a separate Terms of Reference

GOVERNANCE

1. A business case is required to support all submissions. The business case should outline the total set-up cost, revenue implications, carbon reduction impact and any co-benefits for the environment, economy or island community. VAT and contingency costs should not be included.
2. The business case must identify the specific relevant initiatives in the Climate Change Plan or alignment to the Climate Change Act and demonstrate the application's contribution to that initiative/requirement.
3. All bids from Departments, Boards and Offices should have approval from the relevant Department Finance Partner, Accountable Officer and Political representative (eg the Minister of the Department, unless this Minister sits on the Climate Change Board, in which case their approval is taken at the Climate Change Board meeting). Please note that Political approval is subject to a de-minimus level of £100,000.
4. Should the intention be for some or all of the funds to be paid to a third party supplier, it is essential that this expenditure complies with both Financial Regulations and the open and fair principles that underpin public sector procurement. To this end where third-party expenditure is being considered, Procurement Services must be engaged at the very earliest opportunity and certainly in advance of any formal request for funds.
5. Bids up to £25,000 are considered and supported by the Head of Climate Change and the DEFA Accountable Officer. This will require signed approval from the Finance Business Partner. These bids are notified to Treasury.
6. Bids above £25,000 and up to £50,000 are additionally considered and approved by the Climate Change Transformation Board and notified to Treasury.

7. Bids between £50,000 and £100,000 are considered and approved by the Climate Change Transformation Board and signed off by either the Executive Director – Financial Governance or Chief Financial Officer.
8. Any bids between £100,000 and £250,000 are to be considered and approved by the Climate Transformation Board and approved by the Treasury Board.
9. Bids between £250,000 - £500,000 should be considered and approved by the Climate Change Transformation Board and the Treasury Board. They also require notification to the Council of Ministers.
10. Any bids over £500,000 are to be supported by the Climate Transformation Board and approved by the Treasury Board. They also require formal approval from the Council of Ministers.
11. Bids from Treasury will be supported by the Climate Change Transformation Board and Treasury Board, but will require approval from the Council of Ministers regardless of value.

ELIGIBILITY CRITERIA

12. All eligible projects must support the overall objective of the Climate Change Transformation Programme, *namely / specifically*;
 - a. To achieve Net Zero *Carbon* Emissions by 2050 or the interim targets; either through the reduction of Carbon (and other Greenhouse Gas) Emissions within one of the key emissions sectors, or through providing a significant contribution to carbon sequestration
 - b. To implement the actions which fall out of the Climate Change Act and associated legislation; an enabler to achieving net zero carbon emissions by 2050
 - c. To deliver actions identified in the Council of Ministers Climate Change Plan
13. The fund cannot be used to support fossil fuels
14. Departmental drawdowns from the Fund will only be made available after it has been demonstrated that the Department will not produce and underspend within the current financial year.
15. All bids will be time-limited and extensions will require formal in line with the decision thresholds identified above. It is the responsibility of the Department to ensure this.
16. Bids that involve ongoing revenue expenditure are not eligible for funding, it is expected that such bids will be considered as part of the annual budget process.
17. Approvals are not transferrable between projects and a new business case will be required for each new initiative.

Last Updated

9th September 2022

CLIMATE CHANGE FUNDS - CAPITAL

Terms of Reference

OVERVIEW

1. The primary aim of this Fund is to provide Capital scheme funding for initiatives in the Isle of Man that support the objectives and any interim target of achieving net zero carbon emissions by 2050.
2. The Funds will be available to the Climate Change Transformation Programme, and Government Departments, Boards and Offices through the Climate Change Transformation Board in order to decarbonise the Government estate and reduce emissions for capital schemes
3. Bids are invited and considered where the costs and potential carbon emissions reductions are clearly defined, and where the key deliverables underpin the delivery of achieving net zero emissions by 2050
4. All bids must clearly identify any revenue implications. Bids with ongoing revenue implications must be clearly identified and subject to Treasury approval regardless of bid amount. Each bid must clearly identify the proposed source of funding for any revenue change.

GOVERNANCE

5. A business case is required to support all submissions. The business case should outline the total set-up cost, revenue implications, carbon reduction impact and any co-benefits for the environment, economy or island community. VAT and contingency costs should not be included.
6. The business case must identify the specific relevant initiatives in the Climate Change Plan or alignment to the Climate Change Act and demonstrate the application's contribution to that initiative/requirement.
7. All bids from Departments, Boards and Offices should have approval from the relevant Department Finance Partner, Accountable Officer and Political representative (eg the Minister of the Department, unless this Minister sits on the Climate Change Board, in which case their approval is taken at the Climate Change Board meeting). Please note that Political approval is subject to a de-minimus level of £100,000.
8. Should the intention be for some or all of the funds to be paid to a third party supplier, it is essential that this expenditure complies with both Financial Regulations and the open and fair principles that underpin public sector procurement. To this end where third-party expenditure is being considered, Procurement Services must be engaged at the very earliest opportunity and certainly in advance of any formal request for funds.
9. Bids up to £25,000 are considered and supported by the Head of Climate Change and the DEFA Accountable Officer. This will require signed approval from the Finance Business Partner. These bids are notified to Treasury.
10. Bids above £25,000 and up to £50,000 are additionally considered and approved by the Climate Change Transformation Board and notified to Treasury.

11. Bids between £50,000 and £100,000 are considered and approved by the Climate Change Transformation Board and signed off by either the Executive Director – Financial Governance or Chief Financial Officer.
12. Any bids between £100,000 and £250,000 are to be considered and approved by the Climate Transformation Board and approved by the Treasury Board.
13. Bids between £250,000 - £500,000 should be considered and approved by the Climate Change Transformation Board and the Treasury Board. They also require notification to the Council of Ministers.
14. Any bids over £500,000 are to be supported by the Climate Transformation Board and approved by the Treasury Board. They also require formal approval from the Council of Ministers.
15. Bids from Treasury will be supported by the Climate Change Transformation Board and Treasury Board, but will require approval from the Council of Ministers regardless of value.

ELIGIBILITY CRITERIA

16. All eligible projects must support the overall objective of the Climate Change Transformation Programme, *namely / specifically*;
 - a. To achieve Net Zero *Carbon* Emissions by 2050 or the interim targets; either through the reduction of Carbon (and other Greenhouse Gas) Emissions within one of the key emissions sectors, or through providing a significant contribution to carbon sequestration
 - b. To implement the actions which fall out of the Climate Change Act and associated legislation; an enabler to achieving net zero carbon emissions by 2050
 - c. To deliver actions identified in the Council of Ministers Climate Change Plan
17. The fund cannot be used to support fossil fuels
18. Departmental drawdowns from the Fund will only be made available after it has been demonstrated that the Department will not produce and underspend within the current financial year.
19. All bids will be time-limited and extensions will require formal in line with the decision thresholds identified above. It is the responsibility of the Department to ensure this.
20. Bids that involve ongoing revenue expenditure are not eligible for funding, it is expected that such bids will be considered as part of the annual budget process.
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