

Submission by Dingle Hub to the Public Consultation on

Ireland's Draft Climate Action Plan 2024

05 April 2024

Overall view on Financing Climate Action in Local Communities

For consideration in future updates to the plan

1. Introduction

The challenges facing Ireland in reducing its carbon dioxide emissions by 2030 are immense and the consequences for not achieving the emissions reductions are also huge. In a DECC/DPER report¹ published in February 2023 and taking the scenarios used in the report, the cumulative compliance cost under the Climate Action Plan 2021 (CAP 21) is calculated as &8.102 billion (assuming Fit-for-55, <u>With Existing Measures</u>)). This is the amount that will fall on the Exchequer to pay in the event of the emission targets not being achieved over the period 2022-2030.

The reduction in emissions cannot be achieved by policy changes alone. Most of the emission reductions are highly dependent on behavioural changes by the citizens and communities. This will require significant, sustained individual and community support and deep engagement, with sustained activation of citizens, at local community level, if the targets are to be achieved.

To date, Government policy has provided some specific community support through programmes such as the Sustainable Energy Authority of Ireland's Sustainable Energy <u>Communities Programme</u>², <u>Creative Ireland Climate Action Fund</u>³ (which is a competitive process), Science Foundation Ireland (which requires some Engaged Research with the community)⁴, and others. However all of the Government-supported schemes assume that there is volunteer capacity and capability in the local community to apply for, manage, administer and monitor the schemes and, in the process, to engage widely with local community members (a not-insignificant challenge). Moreover, in these instances, there is also an assumption that there is a local not-for-profit company (i.e. a company limited by guarantee) that can be held accountable for the Exchequer funds provided to the local community.

¹ Spending Review 2023: Estimating the Potential Cost of Compliance with 2030 Climate and Energy Targets (Department of the Environment, Climate & Communications and Department of Public Expenditure & Reform, February 2023) - https://assets.gov.ie/246850/5982d0ec-1590-4caf-8c40-ce8bf178f5fc.pdf ² https://www.seai.ie/community-energy/sustainable-energy-communities/

³ https://www.creativeireland.gov.ie/en/blog/?category=creativity-and-climate-change#posts

⁴ What was the actual scheme?

Under this approach, the essential engagement with the local communities has, effectively, been outsourced to local communities, acting in a voluntary capacity, to fulfil some of the greatest challenges facing the State in relation to Climate Change and Biodiversity Loss and the consequences of failure to meet these targets are likely to be more than €8 billion by 2030 and continuing to accumulate until the targets are met.

It does not appear to be either credible or fair to the local communities and their volunteer members that they are asked to undertake such a huge set of tasks, with massive financial consequences for the State for not achieving the targets. Without a streamlined support mechanism that provides resources and leverages the voluntary efforts of the local communities, the community engagement will simply not deliver. One of the consistent failings in all State supports to date is a failure to acknowledge (and resource) some sustained form of local community group or company limited by guarantee that can activate and engage fully with the citizens in the local community.

The <u>Local Authority Climate Action Plan Guidelines</u>⁵ do not address this issue at all and they appear to build on the assumption that the local communities will do all the necessary work on a voluntary basis without any resources provided for the essential application, coordination, engagement and administration elements of the work. The local authorities see their role as follows (p.13): 1

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FULL ACCOUNTABILITY	INFLUENCE	CO-ORDINATE & FACILITATE	ADVOCATE
Delivering climate action in areas within own remit: including local authority own buildings, infrastructure, systems, operations and staff.	Influence sectors and communities on climate action. Direct: Procurement/supply chains and staff protocols Regulatory: Decision-making on planning and development, waste, byelaws, application of standards. Broad: Through the provision of services across the range of functions, prioritisation, channelling investment, etc.	Co-ordinate efforts between different stakeholders, e.g. Decarbonising zones and Facilitate through the identification of funding, use of regulatory levers. Collaborate and engage in partnerships on climate action.	Creating the local visions, communications, awareness raising, promotion, capacity building.
Targets/Metrics		Key Performance Indicators	
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Fig. 1 Accountability of Local Authorities

"<u>Influence sectors, business, communities and individuals</u> in the delivery of local climate action through the various functions and services provided, as well as using many regulatory levers and the sector's broader remit to enable, facilitate and support them.

"<u>Co-ordinate and facilitate</u> by bringing together key stakeholders, engaging in partnerships to maximise efforts and creating interactions that will yield successful initiatives and projects which may not otherwise occur.

"<u>Advocate for climate action</u> by raising awareness, communicating and engaging in open dialogues on climate related issues and responses."

⁵ https://d.docs.live.net/38cbf53b91cd9ba6/Documents/Local Authority Climate Action Plan Guidelines

The local authorities do not see themselves as having responsibility and accountability for what is required to be done in the local communities and they do not appear to have plans for how they will structure and resource the local community engagement processes. The current approach will simply not deliver the scale and depth of changes that are required if the country is to achieve its legally binding targets of reducing emissions by 51% by 2030.

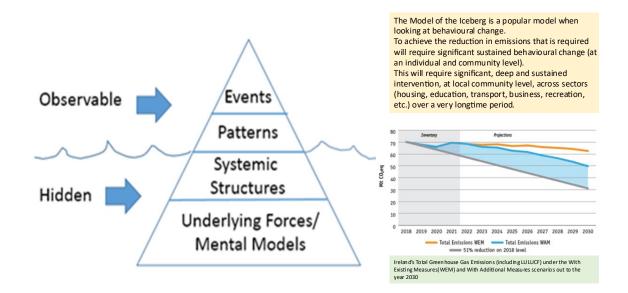
This submission suggests a more streamlined approach by Government to supporting local communities in their efforts to address Climate Change and Biodiversity Loss and it is likely to be far more successful in engaging with local communities. But it requires policy intervention at Government level, together with a coordinated approach to delivering the resources in a streamlined manner that are focused on the needs of the local communities as opposed to the administrative arrangements that best suit the Government Departments and agencies.

2. The scale of the challenge that is required to be met by Local Communities

Under the *Local Authority Climate Action Plan Guidelines,* most of the heavy lifting with regard to addressing Climate Change and Biodiversity loss will fall on local communities and individuals.

The local authorities, see themselves more as 'interested bystanders', "Influencing sectors, business, communities and individuals in the delivery of local climate action through the various functions and services provided... co-ordinating and facilitating by bringing together key stakeholders... and advocating for climate action by raising awareness, communicating and engaging in open dialogues on climate related issues and responses."

The impact of the Climate Change and Biodiversity challenges are accepted as being of an existential nature and therefore, the scale of the actions needed to address these issues are equally huge and well beyond the ability of the local communities and individuals to tackle without significant, sustained, resources being provided by Government and the public service. That support should be focused not simply on 'raising awareness' but on empowering local communities to activate the whole community and with the community itself in the leadership role. (This is discussed further in Section 4, below).



Fig, 2. The Model of the Iceberg as a way of understanding the scale of the challenges that need to be addressed.

Ireland is not currently on target to achieve the emission reduction targets and, according to the report <u>Estimating the Potential Cost of Compliance with 2030 Climate and Energy Targets (DPECC & DPER,</u> <u>February 2023</u>)⁶ the cumulative compliance cost (for failure to meet the targets under the Climate Action Plan 2021) are specified as \in 8.102 billion (Fit-for-55, *With Existing Measures*). Therefore, the depth and scale of change required, even in the current decade until 2030, is phenomenal and requires significant, sustained and deep interventions both at local community and individual levels.

⁶ https://assets.gov.ie/246850/5982d0ec-1590-4caf-8c40-ce8bf178f5fc.pdf

3. Shortcomings in the existing support mechanisms for local communities

There are several shortcomings in the current mechanisms designed to support local communities to address Climate Change and Biodiversity Loss.

- i. No acknowledgement of the requirement for full time positions (and some resources) to activate the local voluntary effort and to support the ongoing, sustained engagement with local communities.
- ii. Schemes are designed to suit the Department's and State agencies' administrative requirements and not the local communities' requirements.
- iii. There is significant interest by very competent and committed people who wish to be involved in addressing Climate Change and Biodiversity Loss but the timelines and associated employment contracts (where they exist) for the schemes are too short to attract talented and committed people and to expect them to commit themselves.
- iv. The current schemes are usually designed around competitive application and funding for narrowly scoped, one-to-two-year projects, with specific outputs to be delivered. Because of that, it is not possible to plan over a longer period and, without continuity (e.g through a local company limited by guarantee), there is no building of institutional memory within the community and across projects and each project requires starting from the beginning again. This is a waste of valuable resources and is very frustrating for local communities.
- v. The example of Green Offaly is a timely reminder of what happens when the funding source dries up. (Green Offaly, a flagship project in Just Transition, was forced to close in autumn 2023. At present it is partially operating but realistically some difficult decisions as to its future viability will be forced in Q3 unless it has a new funding source. This is despite the huge efforts put into successfully activating the local community and the effective partnership structures it has put in place.
- vi. The shared challenge faced by participants of the Local Futures Group, which includes nationally and internationally recognised organisations like Dingle Hub, Green Offaly, The Aran Islands Energy Co-op, Youghal Blue & Green Community Network, Inishowen Development Partnership, Loop Head Together Network and Charleville Castle Heritage trust, lies in securing vital core funding. This funding is essential to support their multi-dimensional approaches, which integrate social, environmental, and economic sustainability, fostering genuine local regeneration.
- vii. SEAI has consistently stated that it is conscious of the imperative to fully engage communities in the energy transition and to do it in a manner that is scalable and replicable nationally. From experience of the original SEAI pilot in Dundalk, SEAI understands that having full time employed people on the ground to activate the local community volunteers is critical and this has to be at a level below the local authority.

SEAI previously operated an Accelerator Fund that enabled the establishment of Energy Agencies. These agencies originally supported the local authorities to implement energy efficiency measures but, over time, they had no choice but to divert focus to draw down EU

project monies in a bid to survive. Some eventually became commercial entities (e.g <u>Tipperary</u> <u>Energy Agency</u>⁷, <u>Codema</u>⁸) and, in the process, had to move away from their original briefs.

- viii. SEAI has Memoranda of Understanding (MoU) in place with some local authorities and with Údarás na Gaeltachta (for Energy Bureau services) and an MoU is being explored with Fáilte Ireland.
- ix. The recent CRU Proximity Decision (November 30, 2023) has confirmed the special role that community will play in accelerating the Clean Energy Package including to full range of actions included in the EU Clean Energy Package, and Renewable Energy, Electricity Directives. The CRU Process continues to develop the incentives required for best effect. This being said, these new reforms will be applied to Renewable Energy Communities already formed, registered (approved) and in compliance with the CRU definitions which will, most likely, require a viable business plan. The CRU refers to fully inclusive and democratic rules with defined proximity boundaries. It is in the forming of such communities, including the false starts, that the financing for local climate action, will become the difference between success or failure of the activation of the measures necessary to comply with these EU Directives. The Micro Electricity Generation Association⁹ (MEGA) confirms full support for this submission and notes that it is based on the factual evidence on the ground right now and the absence of any legislation or funding to fill this gap into the future. This is in line with evidence submitted already to the CRU¹⁰ by the MEGA association.
- x. Currently, renewable energy developments in Ireland follow either a 100% community-owned or 100% developer-owned model. Community-led initiatives encounter challenges regarding access to technical expertise, capacity, and funding. Conversely, developer-led projects often encounter difficulties in securing optimal sites due to community opposition. The <u>Earning Local</u> <u>Support Academy (ELSA)</u>¹¹ seeks to bridge this gap by fostering collaboration between communities and developers to deliver Smart Projects—ventures that are financially viable, technically robust, environmentally sustainable, and socially endorsed. These initiatives aim to garner support from all stakeholders, crucial for advancing measures to achieve our Climate Action targets and complying with EU Directives.
- xi. To date, local authorities have considered that they have lacked the mandate and capacity to be energy and climate champions. The Local Authority Climate Action Plans should have enabled a changed mandate for local authorities but instead, these authorities have collectively decided that their role is one of 'interested bystander' (influencing, coordinating, facilitating and advocating) but not leading the fight against Climate Change in the local authority functional areas. They also claim that they do not have the capacity to do otherwise.
- xii. The citizens of Ireland continue to acknowledge the importance of addressing Climate Change, both at <u>EU level</u>¹² and <u>in Ireland</u>¹³. Many communities are willing to take on the role of climate

⁷ https://tippenergy.ie/

⁸ https://www.codema.ie/

⁹ https://www.seai.ie/case-studies/tallaght-community-energy/

¹⁰ https://cruie-live-96ca64acab2247eca8a850a7e54b-5b34f62.divio-media.com/documents/cer09099

¹¹ https://www.astoneco.com/news/tag/earning-local-support-academy

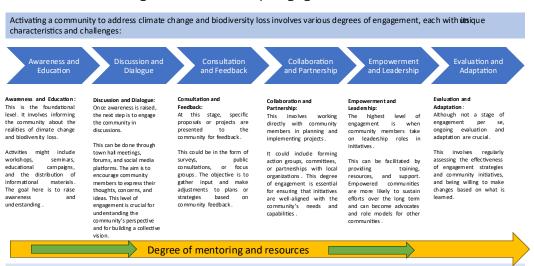
¹² https://europa.eu/eurobarometer/surveys/browse/all/series/2981

¹³ https://www.irishtimes.com/environment/climate-crisis/2023/11/10/almost-half-of-people-say-government-not-doing-enough-on-climate-change-survey-finds/

change champions but are not resourced to do this. By way of example, <u>Dingle Hub</u>¹⁴ is very reliant on Enterprise Ireland supports (which are primarily aimed at creating and supporting businesses (but only where 'businesses' is defined within the Enterprise Ireland scope, as opposed the full scope of business enterprises that exist)). In the case of the Dingle Hub, the base of Enterprise Ireland funding was leveraged and, because of that, Dingle Hub has been able to deliver a broad suite of Climate Action services and these have attracted some additional funding from national and EU funding sources.

xiii. The EU requires community engagement through its various funding channels and it promotes community-driven initiatives to foster local climate action. The lack of sub-county structures in Ireland inhibits the ability of community organisations to avail of these funds and it ensures that Ireland will remain a remain laggard in climate action, as community engagement is critical to activating communities in respect of Climate Change.

4. The Stages of Community Engagement



Stages of Community Engagement

Each level of engagement builds on the previous one, and successful community activation often involves a combination of all these degrees of engagement, adapted to the specific context and needs of the community.

Fig. 3 Stages of Community Engagement

In the Irish context, Community Engagement tends to be perceived by Government and public bodies as more about *Awareness and Education* and less about *Empowerment and Leadership*. But, if the local community is to be activated in taking both personal and community actions to address climate change and biodiversity loss, the level of Community Engagement needs to be in the Empowerment and Leadership area (with Evaluation and Adaptation following on as it progresses).

¹⁴ http://www.dinglehub.com/

Stages of Community Engagement

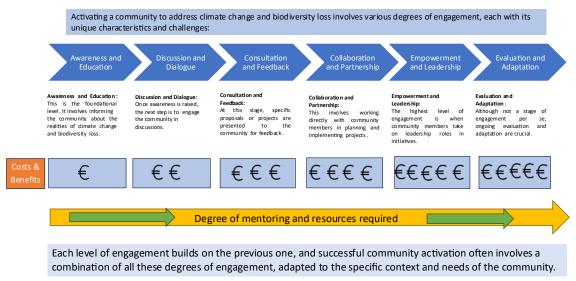


Fig 4. Stages of Community Engagement – Costs and Benefits

Over the years, funding schemes have been put in place to address *Awareness and Education* in local communities about different issues, but just addressing this does not address the issue of activating the community and maintaining that activated community over a sustained period. That requires a significant investment in local communities and a focus on *Empowerment and Leadership* (and all in between).

5. A proposed approach to streamlining Financial Resources to Local Communities wishing to engage in Climate Action

A model is proposed that provides a funding mechanism that can deliver for multiple Departments and agencies, thereby optimally leveraging Exchequer investment to create maximum impact, while also ensuring accountability for the expenditure of Exchequer funding.

It is proposed that the coordinating Government Department would be the Department of Rural and Community Development and funds would be channeled through a process whereby Government Departments and agencies would offer a menu of climate, biodiversity and transition services that the local communities might be willing to provide under contract to the relevant Department or agency.

By way of example, Dingle Hub currently provides services for Enterprise and Employment, Environment, Climate and Communications, Transport, Agriculture and Marine and Rural and Community Development but these are all currently provided through direct schemes offered by each Department.

This proposed new model would replace the individual bilateral agreements between Government Departments and agencies and local communities. A single, cross departmental Climate Action Fund, with appropriate targets and key performance indicators (KPIs) for local communities, could be relatively easily accommodated and there would be full accountability for the expenditure and outputs, as there is currently for the Enterprise Ireland funding.



What a sustained and sustainable funding approach would look like in the medium-term for this model



An analogous mechanism exists in respect of HSE services being provided to the Department of Rural and Community Development and, similarly, HSE passenger non-emergency transport services being provided through Local Link Donegal to the HSE There are likely to be many other such funding mechanisms in existence, so the principle is well established.

There is also an alignment of the proposed model with SEAI requirement for Energy Bureau services, as they currently operate between SEAI and (i) some local authorities and (ii) Údarás na Gaeltachta. There services could be delivered by local communities through similar MoU models to what SEAI utilises with the various agencies and bodies, by adding on supports for the delivery of named specific energy transition/climate action. For example, subject to confirmation, it may be possible for, say, Hubs (or other appropriate community-based companies limited by guarantee) to access these supports through existing EI mechanisms. If the EI mechanisms are restricted, for example, to ensure that they are in compliance with General Block Exemption Regulation (GBER), to address any State Aid concern, the voluntary contribution of community members could be regarded as the local contribution to matched funding (if required).

The types of services that may be envisaged by the MoU might include the following:

- Community-engaged transition advisory and community engagement services
- Partnership with agencies and government bodies to guide/manage Sustainable Energy Communities (especially sectoral) through the Energy Master Planning process (e.g in the case of Dingle Hub, the Tourism and Hospitality Sustainable Energy Community).
- Membership of panels to provide expert advice to consultancy partners of government bodies and agencies (e.g First Western / Fáilte Ireland; Bricolage / Údarás na Gaeltachta)
- Facilitation of and supporting feasibility studies relating to sustainability (e.g e-mobility hubs with Fáilte Ireland and ESB Innovation)

So, what is required to help local communities to deliver the required emission reduction and mitigation/adaptation measures?

A new model for funding is required that puts the local communities at the centre and delivers the funding mechanism (from Government Departments, agencies and State bodies) in a manner that is easy for local communities to apply, access and administer.

Other issues that should be considered include:

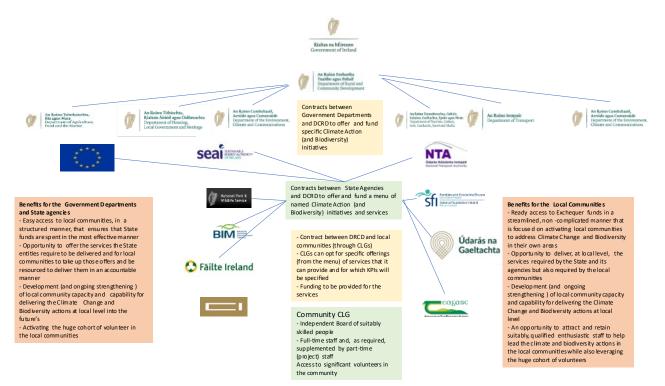
- Ambition at scale that engages with the interdependent and multi-dimensional nature of the problems and assets at hand.
- The correct partners working together.
- Long-term funding, of appropriate characteristics, that allows for institutional memory to be maintained in local communities and encourages suitably qualified staff to apply for (and remain in) posts.
- Reasonable conditions for the team of the right calibre and commitment
- Explicit plan-rooted approach, with intentional design for scalability and replicability in other contexts

Features of a new model should include:

- Community-anchored and easy for local communities to apply for support.
- Exchequer funding as an enabler to leverage other funding and resources, particularly through leveraging, say, the Hub staff and organisations to deliver other services which will be an incremental cost on the currently provided services.
- Access to commercial funds to leverage the acquired expertise of the community and attract further commercial funds.
- Excellent return for both the State and the local community with less duplicative administration and more use of the funds for the purposes for which they are intended.
- Private and public good benefits harnessed and harvested.

Dirgle HUB	Our model engages with three types of economic integration	
	PUBLIC SECTOR and pursuit of the public interest MARKET-BASED on for-profit principles RECIPROCITY and civil society with the integration	
	of representative groups, volunteers, family and friends	6
		6

What a new model might look like



6. Conclusions

The current inefficient system of funding local communities to deliver on the climate and biodiversity actions is both cumbersome, non-comprehensive and unsuitable to deliver what is required.

The proposal in this paper, provides a new model that puts the local communities at the heart and enables Government Departments and State agencies to request from the local communities the climate, energy, biodiversity and transition services the State requires and then, through a centralised system operated under the aegis of the Department of Rural and Community Development, the local communities can apply to deliver these services. Because the local community bodies are companies limited by guarantee, there will be full accountability for the expenditure of Exchequer funding, together with associated key performance indicators related to the specific services provided.

Appendix 1

Types of Community Engagement

Activating a community to address climate change and biodiversity loss involves various degrees of engagement, each with its unique characteristics and challenges:

1. **Awareness and Education:** This is the foundational level. It involves informing the community about the realities of climate change and biodiversity loss. Activities might include workshops, seminars, educational campaigns, and the distribution of informational materials. The goal here is to raise awareness and understanding.

2. **Discussion and Dialogue:** Once awareness is raised, the next step is to engage the community in discussions. This can be done through town hall meetings, forums, and social media platforms. The aim is to encourage community members to express their thoughts, concerns, and ideas. This level of engagement is crucial for understanding the community's perspective and for building a collective vision.

3. **Consultation and Feedback:** At this stage, specific proposals or projects are presented to the community for feedback. This could be in the form of surveys, public consultations, or focus groups. The objective is to gather input and make adjustments to plans or strategies based on community feedback.

4. **Collaboration and Partnership:** This involves working directly with community members in planning and implementing projects. It could include forming action groups, committees, or partnerships with local organizations. This degree of engagement is essential for ensuring that initiatives are well-aligned with the community's needs and capabilities.

5. **Empowerment and Leadership:** The highest level of engagement is when community members take on leadership roles in initiatives. This can be facilitated by providing training, resources, and support. Empowered communities are more likely to sustain efforts over the long term and can become advocates and role models for other communities.

6. **Evaluation and Adaptation:** Although not a stage of engagement per se, ongoing evaluation and adaptation are crucial. This involves regularly assessing the effectiveness of engagement strategies and community initiatives, and being willing to make changes based on what is learned.

Each level of engagement builds on the previous one, and successful community activation often involves a combination of all these degrees of engagement, adapted to the specific context and needs of the community.