

# The MCS Foundation 2025 Grant Round

## Application Guidance

Version 4.2

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## 1. About The MCS Foundation

The MCS Foundation (the Foundation) is the operating name of The MCS Charitable Foundation, a UK registered charity. We were founded to oversee the MCS standards scheme which certifies the quality of renewable energy across UK homes. Supporting this important work remains fundamental, but our role as a Foundation goes further.

As a catalyst for change we convene partners from all parts of our sector – driving innovation to accelerate the use of carbon free energy in UK homes and other building types too. We support and develop action-orientated programmes to address critical issues like retrofitting UK homes at scale and expanding the skills-base that our sector urgently needs. And we commission robust, independent research that informs and shapes better decision making to drive a carbon free future for all UK homes.

The Foundation has so far supported over 65 organisations with grants totalling £3m, an average of £46k. 21 grants were issued in 2024, and 11 grants issued in 2023.

## 2. 2025 Grant Call

In 2025 we are looking to fund retrofit-related projects as defined as energy efficiency or renewable generation measures to a domestic building, in line with our objective to make every UK home carbon free.

The maximum grant available will be £50,000 inclusive of VAT. A total funding pot of £300,000 is available and we therefore expect to be funding around 6 grants, if the maximum amount of funding is requested.

Projects will need to be one or both of the following types:

- **Retrofit in action:** projects demonstrating or experimenting with methodologies in the real world and actively evaluating results
- **Retrofit research:** research projects which aim to research a particular issue and better inform retrofit work in the future

Projects will need to deliver against our theory of change's primary, secondary and/or tertiary objectives as set out in table 1.

Table 1: The MCS Foundation objectives

<b>Primary</b>	All homes in the UK decarbonised by 2050					
<b>Secondary</b>	Creation of an enabling environment (policy and regulation) that supports and accelerates the decarbonisation of UK homes (via electrification)				Widespread adoption of place-based solutions supporting the entire retrofit system	A suitably sized and skilled local retrofit supply chain to meet demand
<b>Tertiary</b>	UK to have electricity cheaper than fossil fuels by 2028	More householders are able and willing to pay for the installation of retrofit measures	Removal of key barriers to the electrification of heat thereby enabling net zero carbon via electrification	All new homes are built with zero carbon systems and to MCS (or equivalent) standards by 2025		More young people entering and staying in the low carbon supply chain

Building on the Foundation’s knowledge of the sector and stakeholder consultation we are particularly interested in grants responding to one or more of the following questions:

**1. What are effective grant and financial mechanisms to deliver measures?**

- Surveys indicate that many are not looking to invest in retrofit measures with cost a key barrier. Our research has also indicated that people don’t want to take on debt to deliver retrofit measures. This would suggest that grants will be an important way to stimulate action. However, grant schemes to date have had mixed performances with some times low take-up by homeowners, issues with quality of works and scheme designs which hinder delivery of benefits. Limited public funding and the scale of the retrofit challenge indicates that finance will have to be leveraged.
- We’re looking for projects that can help us to deliver better, more effective grant schemes. Whether by looking back and evaluating previous schemes or testing new models. It may be that different grant models are required to provide different benefits (carbon reduction, fuel poverty alleviation etc). Or new processes to ensure value for money and stop fraud whilst ensuring local contractors can engage and homeowners are not put off by bureaucracy. To alleviate the burden on public spending, looking into how grants can be designed to leverage

private finance and how we can engage homeowners in using finance for retrofit. Additionally, how do we make the best of devolution and the opportunity for local design?

## **2. How do we engage citizens in retrofit and then turn engagement into action?**

- The scale of the decarbonisation challenge is large. Research by Which? and Citizens Advice show that many homeowners don't even think they need to retrofit their homes. Lack of knowledge or desire, unacceptable levels of disruption, benefits not out-weighting costs are often cited as barriers.
- We're looking for projects that can help to determine effective strategies, services or processes. These could look at the problem in terms of marketing, service design, and/or technological developments. Projects could focus on engagement, perhaps effective messaging/ campaign strategies, or how to design effective support services that hold homeowners' hand through the process. There may also be technical solutions that reduce barriers by reducing disruption or improving the cost/benefit ratio. How finance could be part of the solution to turning engagement into action. Place-based initiatives, taking a local delivery, participative, bottom-up approach, are showing early signs of value. It would be good to better understand the benefits of place-based approaches, the potential and different forms to date as well as how to replicate.

## **3. How do we increase the numbers of people entering the retrofit supply chain?**

- It would seem capacity within the retrofit supply chain needs to be increased to deal with existing demand for some measures but for all measures as demand increases. Awareness of retrofit careers seems low and often the perception is poor. Career paths and/or training routes seem uncertain or unattractive for both new entrants and those crossing over from a related sector. Critically, diversity within the sector is low whether that be gender or ethnicity based, and action needs to be taken. We also need new entrants (including those moving in from related sectors) to have the correct level of knowledge to deliver quality installations.
- We're looking for projects either trying to understand the problem better so we can design more effective interventions or testing a potential solution. Of particular interest is diversity because of the scale of the existing problem. This includes making sure we don't lose people during training process, and they have the right skills to deliver quality installations.

Please note it is important projects build on the body of knowledge within the sector. Therefore, applicants are advised to carry out a thorough review of their area of interest to ensure they are not repeating work. However, it is understood that ideas may need to be tested in different locations or situations and research may benefit from being updated.

The Foundation views that taking a systems-based approach to tackling the retrofit challenge is critical. This is highlighted by our Local Area Retrofit Accelerator pilot. The pilot is looking to demonstrate a way of bringing stakeholders from across a local retrofit system to co-develop and then deliver a Local

Retrofit Strategy. With this in mind, we will be assessing projects for their dependence on other elements of the retrofit system. Projects not managing dependencies with other elements of the retrofit system will likely not be funded. For example, if a project was trying to support homeowners in taking up retrofit measures but hasn't included the supply chain in the project scope.

Applications may be submitted by any incorporated organisation including but not limited to private/public organisations, not-for-profit and charities.

All project findings will need to be made publicly available on completion of the grant.

Due diligence will be carried out on all short-listed applications using the Full Circl system and those deemed high risk will not be taken forward. Full Circl investigates the following public aspects of an organisation:

- Registered address, incorporation date, company type, trading address, previous company names, industry area, no. employees
- Credit limit, credit rating, credit risk, timeline showing record of changes in risk status
- Failure odds in next 12 months
- Shareholdings, directors
- Corporate structure (e.g. subsidiaries)
- "Flags" on credit and legal issues
- Adverse media reports on company and directors
- Balance sheets for last 4 years
- Company ratios and disclosures for last 4 years
- Key ratios – industry comparisons
- Legal notices and judgements issued
- Mortgages and charges
- "Warnings" e.g. companies with similar names that have been struck off, adverse media reports on companies with similar names and may be connected
- Financial Conduct Authority authorisations
- HMRC import and export records

Any match-funding being used by the project must be in place prior to application unless agreed with the Foundation Grants Manager.

All enquiries and applications must be sent to [grants@mcsfoundation.org.uk](mailto:grants@mcsfoundation.org.uk).

### 3. Application and evaluation process

The application form and a guidance document are available from the [funding page](#) of The MCS Foundation website.

In 2025, we will open for applications in March and the deadline for submitting applications will be 1<sup>st</sup> May 2025. All applications must be submitted to [grants@mcsfoundation.org.uk](mailto:grants@mcsfoundation.org.uk).

Following this, applications will be evaluated against the following criteria and weighting:

- Deliverability and project clarity – 20%
- Clear and valid Theory of Change – 15%
- Strategic fit with the Foundation objectives – 20%
- Value for money – 15%
- Appropriate project evaluation – 15%
- Promoting a just transition – 5%
- Identifying and mitigating risks – 10%

Following evaluation, a shortlist of applications will be shared with The MCS Foundation Board of Trustees. We may also conduct interviews with applicants if deemed necessary at any stage to aid our decision making.

The Trustees will approve grant awards by the end of June and applicants will be contacted after this with the outcome of their application. If you have been successful in being offered a grant, we will be in touch to arrange the signing of a ‘Grant Funding Agreement’ and delivery of your project can start once this is in place.

	Mar	Apr	May	Jun	Jul	Aug
Open for applications						
Evaluate applications						
Trustee approval meeting						
Grant agreements offered						
Projects can start delivery						

## 4. Guidance for the application form

The following sections provides guidance for the completion of the 2025 Grant Call application form.

### Section 1: Your details

Please provide us with your organisation details, two contacts for the project, detail of whether this project is being run as a consortium and your bank details. If your application is successful, we will also ask for your bank details to be sent on letterheaded paper for our records (digital version is allowed).

For any change of bank details during the grant period we will need confirmation from both project contacts.

The details provided in this section will be used to perform due diligence using the software Full Circl so please ensure these details are complete and accurate. Applicants deemed high risk by the due diligence check will not be funded

For consortiums we will need details of all project partners in section 1.4. You will need to highlight risks related to the project operating as a consortium and state effective mitigations in section 7.1.

## Section 2: Project summary

In this section we are looking for a full picture of your project with all the basic details and an opportunity to provide a longer description. The initial project description in section 2.2 is limited to 2 sentences. This is the elevator pitch of your project and should be short and concise. The greater the clarity over the objective of the project the easier this will be.

A more detailed description should be provided in section 2.8 up to a maximum of 2 pages. This is an opportunity to be clear about the scope of your project. You will also be asked to describe the experience your organisation has in delivering this type of project and the time and resources you are able to commit to its delivery in section 2.9.

The total project cost in section 2.3 should be how much the entire project is costing, even if you are only requesting a small portion of the costs to be covered by this grant. For example, you may have a £100,000 project and you are asking for £50,000 from The MCS Foundation. Enter £100,000 as total project cost and £50,000 in grant amount requested. Use section 2.5 to explain where the remaining funds will come from. This can be another source of funding or covered by your organisation.

The length of the project is up to you, it can be as long or short as you need. The start date should be in July 2025 at the earliest to allow for the application evaluation period, Trustee approval of grant applications and the signing of Grant Funding Agreements. However, project start dates can be anytime within 6 months of the grant agreement being signed to suit your organisation's capacity to deliver the project. Projects should not have started before July 2025 as we will only fund projects which are yet to be delivered.

The geographies that your project covers can be described in the way that makes most sense to your project. You may be operating in a specific area of a town or city, you may want to give a postcode, list several locations or state that the project is UK wide. You can give a brief explanation if needed.

## Section 3- Theory of Change

This section requires applicants to identify the problem your project aims to address, the change or improvement you want to see, the steps you will take and the expected outputs. Having a good theory of change will help to ensure your project has a sound footing. It is setting out your theory for delivering the desired change. There is lots of information on theory of change on the internet including here <https://www.theoryofchange.org/what-is-theory-of-change/>.

Section 3.1 and 3.2 focuses on the evaluation plan for your project. This is an opportunity to describe how you are planning on evaluating your project followed by a table, section 3.2, which requires you think about what your evaluation questions are, your planned methodology for answering the question, the key performance indicators and the source of data. For some guidance on good practice for carrying out evaluations, please see [Evaluation good practice guidance | The National Lottery Heritage Fund](#). A good

evaluation plan will enable applicants and the Foundation to maximise learnings. This is an important part of your project as we need to maximise learnings from each project.

Section 3.3 is your opportunity to demonstrate how your project fits with the Foundation's strategic objectives. Projects will not necessarily score better for delivering against more objectives. Of more importance is the strength of the argument that it will deliver against an objective.

We then ask you to highlight The MCS Foundation objectives that your project will work towards and describe how you will work towards these objectives in the boxes below.

## Section 4: Further details

This section of the application form will address the remaining marking criteria:

### Value for money

The Foundation must ensure our grant funding is being spent on projects providing good value for money. In section 4.1 you can state why your project is good value for money. For example, any benchmarking carried out on day rates to ensure they are in-line with current sector expectations. Or perhaps you have procurement policies in place or can utilise match funding. We will also be looking at the costs provided in section 5.1, project budget to mark applications.

### Future impact

The Foundation is looking for projects which have an impact beyond the timescale of the grant period. The Theory of Change and evaluation plan are important aspects of this. Section 4.2 gives you the opportunity to state how you can support dissemination and/or replication.

Future impact may look different in different projects. For example, you may plan to produce resources that will be shared on your website and promoted through events. Or if your project is successful in one location you may plan to expand into several more locations following the end of our grant funding. We do expect all grantees to share the findings of their project to benefit the wider retrofit sector and do not expect learnings to sit behind a paywall (see 'Intellectual property' below).

We recommend allocating resource and budget to this as part of your project.

### Intellectual property

This does not form part of the marking criteria but is a follow on from the previous question. We need to be aware of anything that will be produced in your project that will generate intellectual property as this may affect your ability to share outcomes with others. For example, if your project created software that you do not plan to share freely with others.



### Promoting a just transition

The Foundation's internal evaluation framework includes metrics concerning reaching under-represented or disadvantaged groups or increasing the diversity of the sector. Therefore, we are keen to gather this data for relevant projects. This is not a pre-requisite for the funding of projects and has a low weighting in the scoring criteria.

### Section 5: Project budget

This section requires a breakdown of your project budget to enable us to understand how the project budget was determined and gain confidence that all relevant costs have been accounted for. Additionally, that these costs are reasonable.

The first section is a breakdown of staff costs demonstrating who will be working on your project, what their day rate is, how many days they will be working, the total cost and source of funding. The funding source enables you to detail how any match funding (internally or externally sourced) is being used.

The second half of the table is for any other costs which are included in your total grant request. For example, this could be venue hire for an event, focus group expenses, grants to homeowners, or project specific equipment.

Please break this down by unit cost, quantity, total cost and source unless this does not make sense for the item you are requesting. Please add as many rows as you need to the table and complete the total box at the bottom which should be the total cost of your project including any items being funded by another source.

### Section 6: Project milestones

This section breaks your project down into smaller milestones which are points in time when you will report on the progress of your project and receive funding. Once each milestone is complete and we have received the evidence requested, we will release the agreed portion of your grant funding.

Complete the table to demonstrate how you would like your project divided into milestones and the corresponding activities belonging to each milestone. The outputs are what will happen because of completing those activities and the evidence is what you will be able to provide us with to prove delivery of the activity and output. For example, the activity may be holding an event, the output may be that 50 homeowners have been educated about insulation and evidence could be a report about your findings, a register of attendees and photos of the event. You should then request the percentage and amount of grant you will need to complete that milestone and give an estimated date for completion.

We expect projects will be broken down into two to five milestones depending on length and complexity. There is a maximum of 10 milestones allowed. Milestones can have more than one activity. Each activity

should have a clear output and evidence. Two milestones cannot have the same due date, these should be combined into one milestone with multiple activities, outputs and evidence.

Please note that milestones will form part of your contractual obligation in the Grant Funding Agreement and the grants team may be in touch with you about changes to your milestone table before we enter into this agreement. The milestone table in your Grant Funding Agreement will overrule the milestone table in your application.

Milestone reporting and project evaluation templates will be provided by the team prior to each milestone due date. Payment will not be made unless the milestone activity has been completed, milestone report/ project evaluation report completed, and suitable evidence provided to confirm an output has been achieved. Grantees can submit Project Change Requests during a live project to request changes to milestones.

The milestone table in section 6 will form part of the Grant Funding Agreement.

### Section 7: Project risks

As part of the marking criteria, in this section we will be looking to see that project risks have been adequately identified and that mitigation strategies have been well thought through. This is an important part of any project and helps us to have confidence a project has been well thought out and is deliverable.

We will be looking to ensure the main risks have been identified and that appropriate mitigations have been proposed. We understand that not all risks can't be eliminated but at least being aware means a project can be better ready to deal with it.

### Section 8: Conflicts of interest

This is not a marked section of the application form, but we do need you to be transparent about any conflicts of interest that arise at the time of making the application and how you plan to mitigate these. Conflicts of interest generally arise when financial gain is possible, such as during procurements or delivery of recommendation services. We're looking for projects to be clear about these and propose suitable mitigations such as ensuring those to gain financially are not involved in decisions or recommendations.

### Section 9: Declaration

The declaration is to be completed by the applicant or lead applicant in the case of a consortium application.

## 5. Feedback on potential projects

The Foundation can provide feedback on project ideas via email in the first instance – see section 6. We can't guarantee to provide feedback but will do our best to do so. Please provide us with a concise overview of the project idea and benefit.

## 6. Further enquires

All enquiries should be sent to [grants@mcsfoundation.org.uk](mailto:grants@mcsfoundation.org.uk) and a member of the team will get back to you. We will also be holding a webinar to discuss the grant programme further and answer any questions. Please see the [Funding page](#) for details of how to sign up.

Thank you for your interest in The MCS Foundation 2025 Grants Programme and best of luck with your application.