

Donate Your Energy

Donating energy cost savings to good causes

A scheme to motivate people to save energy in companies in four EU countries managed and supported by:



Donate Your Energy 1

WHAT IS THE DONATE YOUR ENERGY SCHEME?.....	2
BENEFITS.....	2
HOW IT WORKS.....	2
WHAT WE CAN DO FOR YOU	3
HOW TO DONATE.....	3
SELECTING CHARITIES	4
TAX AND ADMINISTRATIVE ASPECTS.....	5
INCREASE THE VALUE OF YOUR STAFFS' SAVING	6

WHAT IS THE DONATE YOUR ENERGY SCHEME?

Donate Your Energy is a scheme to help your company cut its energy bill by providing incentives to staff to save energy. The incentive is that companies agree to donate a proportion of the energy cost savings to a charity/ies selected by the staff, resulting from an energy saving campaign. In this way staff feel that they are contributing something to the greater good instead of just saving energy to save the company money.

Research has shown that people can be motivated through contributing to good causes when participating in energy saving actions. This provides an additional incentive to individuals to save and 'donate their energy' to charitable or other community based organisations.

BENEFITS

To your company:

- Cuts your energy bill
- Lowers your tax bill
- Improves your company image through environmental commitment
- Improved teamwork and better morale amongst your staff

To staff:

- Personal satisfaction, knowing that they are contributing to a good cause
- Participation in a worthwhile initiative through teamwork

HOW IT WORKS

Your company establishes its pre-campaign baseline energy consumption. The method for doing this is outlined in the 'Estimating Energy Savings' guidance. Then measure your energy consumption at the end of your campaign, to enable you to measure your total energy savings.

Suitable charities for donations and the proportion of energy savings to be donated should be agreed and 'Covenants' may be signed between your company and the charity, ideally during a high profile event.

The process can be summarised in the following steps:

1. Identify your pre-campaign energy consumption.
2. In conjunction with staff, select charities to which to donate.
3. Agree the proportion of savings to be donated (you may wish to set an upper limit).
4. Establish a 'Covenant' promise between your company and the selected charity.
5. Launch your energy campaign and Donate Your Energy scheme.

6. Monitor savings.
7. Provide ongoing feedback to staff on the progress of the campaign.
8. At the end of the period calculate the savings made and the amount to be donated.
9. Handover the donation to the charity at a special presentation event.

The methodology for identifying the baseline energy consumption is identified in the companion 'Estimating Energy Savings' guidance.

The administrative and tax aspects of making donations to charities is identified below.

Sample Covenant agreements are available on the website www.energyxchange.eu or from the relevant partner organisation in your country, as listed below.

WHAT WE CAN DO FOR YOU

- We provide support to help you implement a campaign.
- We help monitor your savings and calculate the difference you are making in cost savings terms.
- We provide a dedicated Web page to give feedback on the progress of your campaign,
- You get an online a 'savings meter' with up to date information on the savings you have made.

If you are interested in cutting your energy bills by raising staff awareness in your company, we can provide you with support to help you implement a campaign. You get independent advice from consultants with a wealth of experience of working on energy awareness campaigns.

Once your programme is in place, we will help you to monitor your savings and calculate the cost savings made. A dedicated Web page on your campaign will also be created that provides feedback on the progress of your campaign, along with a 'savings meter' with up to date information on the savings you have made.

The partner organisation in your country has an established track record in delivering energy saving initiatives and can provide tailored advice on implementing your campaign.

HOW TO DONATE

So you've decided to donate a proportion of your energy savings to charity – and now you want to know how to do it.

There are two main methods for donating to your selected charity:

- Direct to the selected charity
- Via charity sector representative bodies

You may identify an appropriate charity and contact them directly. Many charity organisations have systems and processes in place to facilitate corporate donations, and can provide guidance and assistance to companies.

Alternatively, in the UK there are charity representative organisations with established schemes for facilitating corporate donations to charities of your choice. The benefits are that the representative body can organise the donation process and provide additional services.

In the UK one of the main organisations that offers such a service is the Charities Aid Foundation <http://www.cafonline.org/>

SELECTING CHARITIES

As your donation will be based on the efforts of your staff in saving energy in your company, it is best to involve them in the selection of the charity to which to donate. Due to the large potential number of charities, it may be simpler to first ask people, in which area of activity they would like to make donations and then ask them to select the organisation. A list of areas of activity is given in Annex 1.

The Register of Charities holds comprehensive information about every registered charity in England and Wales.

<http://www.charity-commission.gov.uk>

Northern Ireland

There is no official register of charities in Northern Ireland. However, for practical purposes, a letter from the HMRC granting charitable status for tax purposes is the documentary proof that an organisation is a charity.

The following section outlines the basic tax and administrative aspects of company donations to charity.

TAX AND ADMINISTRATIVE ASPECTS

Companies can claim tax relief for qualifying donations to UK charities. The donation can be recorded as a charge against income in your corporation tax return and set against taxable profits.

Gifts of money to UK charities by companies are made before tax is deducted, i.e. out of gross income or profits, so no Gift Aid¹ declaration is required. You should keep normal accounting records to support entries on your Corporation Tax Self Assessment (CTSA) return along with any other relevant documentation, e.g. correspondence with the charity in relation to the donation such as a 'thank you' letter.

Gift Aid relief for donations made by companies only applies to payments which are 'qualifying donations'. A qualifying donation is a payment of a sum of money which is not a distribution of profit.

Donations must be gifts of money made in any of the following forms:

- Cash
- Cheque
- Credit or debit card
- Direct debit
- Postal order
- Standing order or telegraphic transfer

Restrictions

- Tax relief can only be claimed for the accounting period during which a gift is made
- Relief is restricted to the amount of corporation tax profit available for that accounting period.
- A donation to a UK charity cannot be used to create a loss for corporation tax purposes.

The information in this section is based on information from the HM Revenue and Customs website.

Further information

The HMRC provides information about tax relief for charitable donations
<http://www.hmrc.gov.uk/charities>

In Northern Ireland, the Department for Social Development (Charities Branch) is the charity authority for Northern Ireland.

Charities Branch
Voluntary & Community Unit
Department for Social Development
3rd Floor, Lighthouse Building
1 Cromac Place
Gasworks Business Park
Ormeau Road, Belfast BT 7 2JB
Tel: 028 90 829427

The Northern Ireland Council for
Voluntary Action
64 Duncairn Gardens
BELFAST
BT15 2GB
Tel (028)-90877777
<http://www.nicva.org/>

The Community Foundation for
Northern Ireland
Community House
Citylink Business Park
Albert Street
Belfast
BT12 4HQ
Tel (028)-90245927
<http://www.nivt.org>

¹ Gift Aid offers a simple way to increase the value of your gift to charity or to a Community Amateur Sports Club (CASC) by allowing the charity or CASC to reclaim the tax on your gift.

INCREASE THE VALUE OF YOUR STAFFS' SAVING

You may wish to increase the value of the savings made by your staff by matching, from company funds, the savings donated. This demonstrates your company's commitment and is a powerful way to support your employees' efforts.

Payroll Giving - approved Payroll Giving agencies

This is another way of boosting donations to charity whereby staff agree to make donations which comes off their gross pay, before the taxman touches it. All of the organisations listed below are approved and monitored by H M Revenue & Customs for the purposes of Payroll Giving. They can help you to promote Payroll Giving in the workplace, whether using a professional fundraising organisation, staff champions or a chosen charity.

- [Charities Aid Foundation](#)
- [Charities Trust](#)
- [The Charity Service Ltd](#)
- [The Embassy of Man Payroll Giving Agency](#)
- [KKL Payroll Giving Agency](#)
- [Northern Ireland Council for Voluntary Action](#)
- [Scottish Council for Voluntary Organisations](#)
- [South West Charitable Giving](#)
(Federation of Master Builders (South West Region) Charity Fund Ltd)
- [Sovereign Payroll Giving \(Stewardship\)](#)
- [United Way Payroll Giving Service](#)
- [Working for good](#)

Approved Payroll Giving agencies for particular business sectors:

- [BEN - Motor and Allied Trades Benevolent Fund](#)
- [Achisomoch Aid Company](#)

PROMOTING YOUR SCHEME

Your scheme will have a dedicated web page on the website www.energyxchange.eu but you should also ensure that it is integrated into your energy saving campaign.

- Plan to promote the launch of your Donate Your Energy scheme in conjunction with your energy awareness campaign.
- Involve the charity or community organisation to which you intend to donate.
- Concentrate your promotion on launch week and make sure information is available to staff.
- When your energy campaign is up and running make sure that you provide feedback to staff on the savings and how much money they've raised and compare these to your target.
- Tell your employees about the success of the scheme – thanking them for their generosity.
- Keep staff informed – tell staff how much they've raised at every opportunity.

FURTHER INFORMATION

For more information, complete our enquiry form, or contact the following partner organisation in your country.



Tipperary Energy Agency (TEA), Craft Granary, Church St
Cahir, Co. Tipperary, **IRELAND**
Contact: Seamus Hoyne
Tel: +353 (0)52 430 90 Email info@tea.ie



Fundación Agencia de Gestión de Energía de la Region
de Murcia (ARGEM), C/ Pintor Manuel Avellaneda, 1. 10 izda,
30001, Murcia, **SPAIN**
Contact: Damian Bornas
Tel. +34 968 223 831 Email: info@argem.es



Fundación Asturiana de la Energía (FAEN) ,
Fray Paulino SN, 33600, Mieres, Asturias, **SPAIN**
Contact: María Jesús Rodríguez Dorronsoro
Tel. +34 985 467 180 Email: miren@faen.es



Social Economy Fund (SEF)
Elizabetes str. 45/47, 1010, Riga, **LATVIA**
Contact: Alexander Gamaleev
Tel. +371 733 2872 Email: info@sef.lv



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Disclaimer

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ANNEX 1: CHARITY AREA OF ACTIVITY

Use the following charity selector to identify a suitable charity.

Animals	Arts, Cultural, Humanities	Disability
<ul style="list-style-type: none"> • Birds • Cats • Dogs • Equine • General/other • Hedgehog • Welfare • Wildlife • Zoo 	<ul style="list-style-type: none"> • General/other • Theatre • Music • Heritage 	<ul style="list-style-type: none"> • Blind • Children • Deaf • Deaf-Blind • Down syndrome • General/other • Learning difficulty • Other disabled
Education	Environment	Health/Medical
<ul style="list-style-type: none"> • Faith • General/other • Health • Interfaith • Pre-school • Science and technology • Speech and language disorders 	<ul style="list-style-type: none"> • Agriculture • Climate change • Forest and woodlands • General • Heritage • Litter • Marine • Nature and conservation • Plants • Recycling • Transport 	<ul style="list-style-type: none"> • Addictions • Cancer • Children • Ethnic minority • General/other • HIV/AIDS • Holistic/alternative • Hospices • Hospitals • Maternity • Medical research animal welfare • Medical research/Welfare • Mental health • Support • Womens
International	Local charities	Religious
<ul style="list-style-type: none"> • Children • Emergencies • General/other • Human rights • Sustainable development • International aid/Development • War-related 	Charities operating only on a local or regional basis.	<ul style="list-style-type: none"> • Christian • Islam • Other religious
Society	Sport	
<ul style="list-style-type: none"> • Accommodation/Housing/Homelessness • Children/Youth • Community • Community care/Relations • Economic/community development/employment • Elderly • Ethnic/Foreign • Family welfare • Gay/Lesbian • General/other • Marriage • Relief of poverty • Social welfare • Support • Voluntary services • Women Issues 	All sporting activities	