

**Community Energy:
Generating More than Renewable Energy**

For Community Energy England

October 2015

Quantum



Quality Assurance

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Declaration of Interest:

The researchers on this project, Gill Fenna and Louise Marix Evans, are voluntary directors of community energy organisations MORE Renewables and Pennine Community Power respectively, and as such have an interest in the research and DECC consultation on FITs. This research has been carried out in their role as Directors of Quantum Strategy & Technology Ltd, to the rigorous and professional standards we apply to all our research and consultancy projects. As such, an impartial approach to the survey and interviews has been taken. Pro-bono time for this project has been donated by Quantum. The evidence and accompanying infographics on community benefit have been produced with support from Power to Change, an independent charitable Trust set up in 2015 to support, develop and grow community business across England. This report has been partially funded by Greenpeace.

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Foreword by Emma Bridge, Community Energy England

Community energy is about far more than the generation of renewable energy. It reduces energy bills, provides energy efficiency advice, develops skills, generates revenue in the local economy, the list of social, economic and environmental benefits goes on. This will of course come as no surprise to those who have come into contact with community energy projects and have seen the inspiring work that is undertaken. However, to date most of this evidence has been anecdotal. The data gathered for this report from 80 community organisations conclusively proves the additional value that community energy brings. And these benefits are only just beginning. Community Energy England is still a young organisation, only formed in 2014, but even in that short time I have seen a huge growth in the innovation of community energy projects, the number of people it reaches and, ultimately, its potential to make a real impact on people's lives.

To continue to do this, at least in the short-term, we need support from schemes such as the Feed-in Tariffs. Community energy delivers value for money and this value will increase as the sector matures. The proposed changes to FITs will seriously damage the community energy sector. This document sets out the impact that these changes will have, the potential real-life benefits and cost savings that could be made. I thank everyone who took time to input and add their story. I hope that after reading this report you will be as convinced as I am of the need for continued support of this vibrant and growing sector that contributes so much to local communities and national priorities.

A handwritten signature in black ink that reads 'Emma Bridge.' The signature is written in a cursive, flowing style.

Emma Bridge

Chief Executive

Community Energy England

www.communityenergyengland.org

Executive Summary

Community Energy is a vibrant young sector, based around a growing number of committed and knowledgeable individuals donating their considerable skills and time to build up an impressive range of valuable assets for their communities. Although focussing on the delivery of renewable energy schemes supported by government backed incentives, community energy organisations punch above their weight in delivering value for money in terms of additional economic, social and environmental benefits. This survey of 80 community energy organisations considers the impact of the severe reductions in government support for renewable energy, as laid out in the recent consultation on the reduction of the Feed in Tariffs (FITs), combined with other policy announcements affecting the sector.

These 80 organisations have almost 11,000 members and have collectively:

- Delivered 30MW of renewable energy capacity in 175 separate schemes
- Planned to deliver 143MW of capacity in 448 new schemes.

Since the Feed in Tariff was introduced in 2010, 38 respondents to the survey have received £7.4 million of FITs. Looking at this as an 'investment' of public funding, and what has been achieved, community energy projects provide very good value for money for the results they achieve. Perhaps this is not surprising as they have so far leveraged £5 million worth of voluntary professional skills and 88 person-years of voluntary time.

This **public spending investment of £7.4m** has:

- Leveraged over £50 million private investment including:
 - £28.6 million in community shares
 - £2 million social and private loans
 - £2.8 million commercial loans
 - £16 million other investment.
- Generated revenue to the economies local to the projects of:
 - £2.4 million annually from member returns
 - £1.9 million annually from ongoing contracts
 - £2 million annually from community benefit funds
 - £39.1 million from local installation contracts.

Compared with other publicly funded energy efficiency, CO2 reduction and business investment schemes, these are very competitive figures.

However, this does not fully reflect the value provided by community energy organisations, whose members are driven to use their renewable energy asset to provide a wealth of other community services:

- Generating community benefit funds which are used to support a range of local initiatives such as:
 - Energy advice for people in fuel poverty
 - Improvements to community buildings
 - Providing computers for low income schools
 - Improving wildlife areas
 - Providing local healthcare services.

- Reducing energy bills for host organisations: 20 schemes provide **annual energy savings totalling £172,500** to schools, parish halls, churches, sports centres and other community buildings, farms and homes
- Providing educational materials and activities for host schools and communities
- Raising the level of activity on sustainability, climate change and renewable energy in their localities
- Increasing active participation in the voluntary sector in their local communities.

Following the positive messages from the Community Energy Strategy¹ and the Shared Ownership Taskforce², community energy groups were forging ahead with plans to install renewable energy projects that would deliver these multiple and often un-quantifiable benefits in their local areas.

- 34 of the groups had ambitions to deliver a significantly larger programme of schemes in the next few years, worth an estimated **£266 million**.

However, there is now a massive sense of disappointment across the sector. This is the second time that community energy has been badly hit by FITs policy changes: the sector had begun to gather momentum and regain confidence after the serious knock-back of the 2011 fast track review of FITs which also caused the abandonment of a large number of projects. The majority of respondents have said that they are now putting their projects on hold, or cancelling them, as a result of the recent government policy announcements, consultations and generally negative attitude to renewable energy.

- 90% of respondents said their developing projects are completely (67%) or partially (23%) at risk due to the FITs review
- This represents a capital investment of £127 million that is now not likely to happen
- 91% stated that their future ambitions are at risk from the FITs review
- This is a further £242 million capital investment that will not now happen
- 98% thought their community activities would now be wholly (80%) or partially (18%) at risk as well.

Several key themes have emerged on the impacts of the policy changes:

- The proposed new FITs rates for PV make new schemes unviable, particularly at the scale of system that most community energy organisations install (10-500kW), even for those organisations which group more than one project together to spread the overhead
- Removal of pre-registration and pre-accreditation has badly hit projects that take a long time to develop: all hydro and wind schemes, plus the more complex PV schemes or those that involve a range of partners or multiple sites such as social housing or groups of schools
- Many community energy organisations were starting to look at larger scale schemes, either on their own or as shared ownership projects, driven by a desire to provide long term income to support their growing social objectives: these are all now at risk
- Reversal of the previously supportive policy environment for renewable energy is already seriously affecting the ability of community energy to raise equity finance, either from individual members or the commercial or social providers: the public is confused about

¹ <https://www.gov.uk/government/publications/community-energy-strategy>

² <https://www.gov.uk/government/groups/shared-ownership-taskforce>

whether government support is being withdrawn altogether, including from existing schemes

- Messages in the press about removing support for renewable energy are making it hard to engage with potential partners or host organisations, who feel that there may be little point in talking to a community energy organisation when the project is unlikely to go ahead
- The policy changes and uncertainty are making many individuals and groups reconsider the amount of effort they are prepared to put in to develop projects that may be killed off by further changes before they can reach fruition.

These proposed changes have seriously de-motivated the sector to the point at which many are considering whether further active participation in the 'Big Society' is a waste of their time. The community groups responding to the survey have put in over 155,000 voluntary hours to develop and deliver their projects. The overall impression is that there is a failure to recognise the good that is being delivered by people who give up their time voluntarily to make things happen in their local areas and the sector feels it has been "kicked in the teeth" by the government when it has still so much potential to deliver.

- 92% thought these changes would adversely affect their volunteers' motivation to continue to work in community energy
- 43% thought it would affect the motivation of their volunteers to volunteer in other community activities.

To summarise: community energy groups provide value for money. They draw in a wide range of professional expertise, generally on a voluntary basis, and share expertise with other groups and their local community. This community involvement is far more cost-effective than any national campaign to promote sustainable living or carbon reduction, and coming from a trusted and known source it is far more likely to produce results.

Community energy organisations across the country could continue to deliver all these benefits if the vital support mechanisms (FITs and pre-registration/pre-accreditation) remain or are re-instated, at least until all project costs fall sufficiently for the size of schemes that community organisations typically develop. It is hugely important that public and investor confidence in this valuable sector is not damaged now to the extent that no future community energy projects are delivered.

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1 Introduction

On 27th August 2015 DECC opened a consultation on the future of the Feed In Tariffs (FITs), for which responses should be submitted before 23rd October. This includes (among other issues):

- Reduction in FITs of up to 87% (solar PV), 100% (wind), 31% (hydro).
- Additional degression rates
- Moving to CPI rather than RPI index linking for new projects
- Full closure of FITs from 1st January 2016 if “proposed cost control deployment caps are deemed unable to place the costs of the scheme on an affordable and sustainable trajectory”.

The justification for these changes can be summarised as:

- FITs has achieved what it was designed to do, namely:
 - Encourage deployment of small scale (up to and including 5 MW) low-carbon electricity generation
 - Empower people and give them a direct stake in the transition to a low-carbon economy
 - Assist the public take-up of carbon reduction measures
 - Foster behavioural change
 - Help develop local supply chains and drive down energy costs.
- The Levy Control Framework is unaffordable
- Closure of FITs will have no impact on the UK’s ability to meet its climate change targets.

This follows two other consultations over the summer on:

- Changes to FIT accreditation, which will remove the ability to pre-accredit and pre-register schemes from 1st October
- Changes to financial support for solar PV of 5MW and below within the Renewables Obligation, which proposes the early closure of the RO to such schemes from 1st April 2016 and the removal of grandfathering of schemes from 22nd July 2015 (the consultation date).

Both of these changes will affect the viability of community energy groups and their potential to develop further projects. The latter two consultations received a significant number of responses from community energy organisations.

In addition, Community Energy England is frequently asked for evidence of the so called ‘wider benefits’ of community energy from various branches of government but as a relatively young organisation they did not hold that level of data on their membership.

1.1 Research Brief

This short piece of research provides evidence from practising community energy organisations on the additional benefits accruing from their schemes. It focuses on:

1. The value of community benefit that has already been put in place by more established groups, including:

- Economic and financial impact e.g. local investment finance raised, employment provided and jobs created, social impact, levels of engagement and volunteer commitment
 - Educational impact
 - Additional financial benefits and value resulting from community benefit funds
 - Environmental impacts.
2. The development plans and ambitions of community energy organisations, and how these ambitions and their communities might be affected by the FITs changes.

1.2 Methodology

Evidence was gathered by email survey (surveymonkey) and telephone interviews with a range of community energy organisations, large and small, both established and new. These organisations are community businesses or enterprises rather than community groups that may have installed renewable energy on their own buildings.

The survey was distributed to a wide range of organisations via the CEE network and other networks known to the project team, and then forwarded again by many individual organisations. CEE's membership is open to any organisation that shares the association's objectives for the development of the community energy sector. Its membership includes around 86 umbrella, support, finance or other renewable energy/sustainability organisations and at least 95 community energy organisations, including unincorporated groups at the early stages of developing community energy projects. Not all community energy organisations are members of CEE, so the full number of community energy organisations who could potentially have completed the survey is not known, but it is likely to be around 150-200, although a further 150-200 groups are at the very early stages of formation.

The timescale for completing the survey (21st September – 5th October) was very short and coincided with the deadline for pre-registration for FITs (30th September), which meant that many community energy organisations were extremely busy at this time and some organisations did not have the time or resources to complete the survey within this time frame. However CEE are exploring funding opportunities which they hope will enable it to continue to gather and keep up to date the evidence in this Report.

This research was developed and produced by Quantum Strategy & Technology on behalf of Community Energy England (CEE).

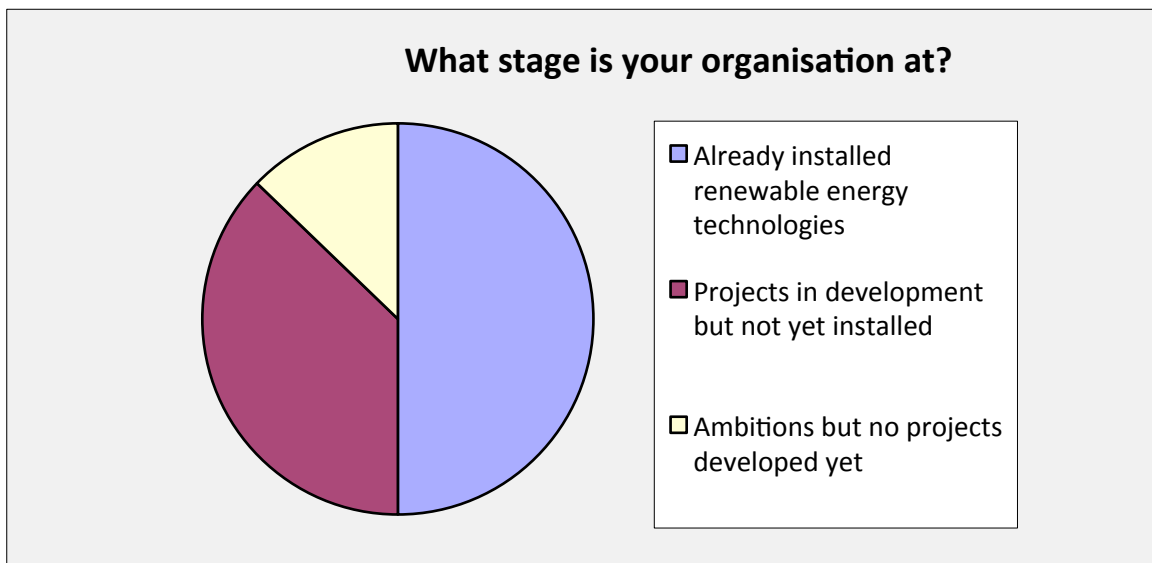
The research team would like to thank wholeheartedly the 82 organisations that completed the survey and provided such detailed information in their responses. A full list of participants is given in Appendix 1. We would also like to thank Power to Change for support in gathering the evidence and providing the accompanying infographics on community benefit, and Greenpeace for support in developing case studies and publicising this work.

2 Survey Respondents

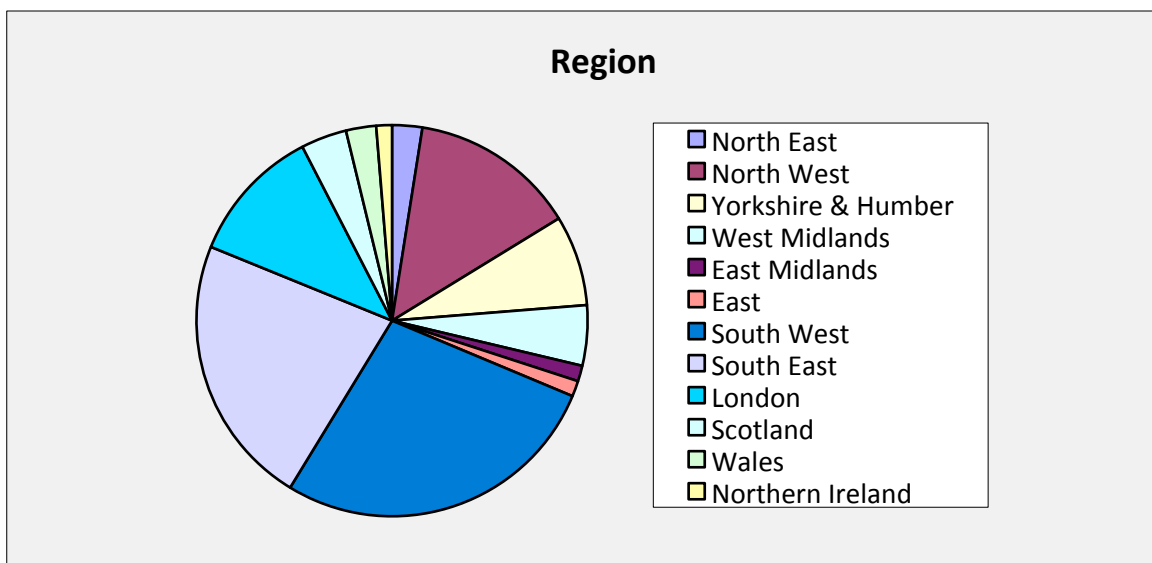
82 community energy organisations provided data for the survey, covering the whole range of scales and experience in the sector. 2 organisations provided insufficient data, so the findings below are based on the remaining **80 responses**.

A further 5 organisations provided information by email or phone and their comments have been included in the qualitative analysis.

- 50% of respondents have already installed renewable energy schemes
- 37% have schemes in development but not yet installed
- 13% are at an early stage of formation, with plans but no schemes yet being developed.



The respondents are spread across the UK, although the South West, South East and London account for 61% of the total. This may be explained by the higher levels of sunshine in these regions, and subsequently greater number of viable PV schemes, as well as having strongly supportive local umbrella organisations such as Regen SW.



Most of the community energy groups are member organisations (e.g. co-operatives). The respondents have collectively **almost 11,000 members** (although some of these are members of more than one organisation).

- 32 of the 38 organisations with installed projects are member organisations and have **9,677 members**: an average of 300 per organisation, but in reality there are 3 large organisations with over 1,000 members, and at the other end of the scale, 15 with under 100 members.
- The 29 organisations that are just developing their first projects have **1,123 members** (average 38)
- 6 of the groups with ambitions but not yet any projects already had **143 members** (average 29 per group).

3 Community Energy Organisations

Community energy groups provide value for money. They draw in a wide range of professional expertise, generally on a voluntary basis, and share expertise with other groups and their local community. This community involvement is far more cost-effective than any national campaign to promote sustainable living or carbon reduction, and coming from a trusted and known source it is far more likely to produce results.

Community energy has been used as a vehicle to deliver far wider community benefits than just low carbon energy:

- Opportunities for involvement in a community project, which contribute to a sense of belonging, worth and wellbeing for those volunteers, and make valuable use of their professional skills within their local community
- Lower costs for the organisations supplied by the schemes: often community buildings themselves, or schools, which can enable them to use funding for other valuable local activities, or means they can survive without worrying how to pay the energy bills
- Developing the low carbon market and supporting the development of skills in this field within local businesses and through apprenticeship programmes
- Funding for other community activities: frequently those that have now dropped off the Local Authority agenda due to resource cuts, such as providing sustainability and energy advice, but which make a huge difference to local people
- Levering in further funding and support to the community, community organisations or spin-out projects;
- An opportunity for people to invest in non-traditional organisations, giving a sense that their money is “doing something useful”.

All of this has been delivered by community energy organisations, at a far lower cost to the taxpayer than would have been the case if organised and funded through the traditional model of delivery of services. It is a true example of the Big Society in action.

A small selection of the respondents’ comments on the value they see in community energy are shown below.

“Surely community energy is important in any area. As a locally based organisation we are backing renewable energy because it’s good for jobs, giving hardworking people and their families more financial security, good for our energy security and part of our plan to decarbonise the economy. We need more secure, home grown energy supplies – and community energy must play a part in that. Harborough Energy’s priorities are clear. We need to keep bills as low as possible for hardworking families and businesses while reducing our emissions in the most cost-effective way. We believe that community energy must be part of the energy mix. In our area a significant proportion of homes and businesses are off gas. Renewable energy, especially that decided by the community itself is important.”

“I truly believe that community energy is the trigger for empowering communities in my area. East Kent has many towns where regeneration is very important. We have old housing stock, a lack of jobs, an ageing population and quite a dismal outlook for young people. The work on community energy was just beginning to instil hope and excitement in people across the spectrum and sustainable empowerment brings many benefits. We could build a local identity, where people feel

they have a stake in their future and where they can see a route through to inclusion and improved lifestyles.”

“Rural North Yorkshire has an extremely high percentage of communities off the gas grid and homes that are hard to insulate. Both domestic and community renewable energy is seen as the only alternative to expensive oil, LPG and electric heating. Without the ability to generate sustainable low cost energy these communities are being condemned to a future in fuel poverty.”

“It's just been such a fresh start and novel way of getting everyone together and we have bold plans to link it to our emergency planning and resilience campaign, such as excess winter deaths prevention.”

“Renewables have caused a lot of controversy locally. Hardly any of the benefits from existing schemes are kept in the area and yet we have had to accept the presence of turbines and solar farms. Our community energy group hopes to restore community cohesion and use renewable energy in a way that keep the benefits in our parish.”

“Renewables are new and not so common in Old Trafford but it's the community element that is important. Our project was always about people, the energy was a galvanising element that was great for the environment and education.”

“We like it!”

3.1 Volunteer Time and Skills

Almost all community energy organisations run on volunteer time and skills.

3.1.1 Volunteer time

The community groups responding to the survey have put in over 155,000 voluntary hours to develop and deliver their projects. This is equivalent to over 88 person-years of work.

As the majority of volunteers are or have been professional people, and around 40% of the input they provide would need to be paid for if it were not carried out by volunteers **this voluntary work can be valued at around £5 million³.**

This volunteer involvement has grown organically through a network of interested people. Its growth hasn't been developed or funded by any national or local government or third sector initiative.

3.1.2 Skills

Community energy organisations rely on the professional skills of their members, and those of other community groups. They can “pull in favours” from other local organisations and willingly share skills and knowledge between groups. The words most used in response to a question on the value of local skills were “vital”, “essential” and “critical”.

“The skills that we can access through our directors has been invaluable to our co-operative. Having access to volunteer accounting and legal advice has saved us a lot of time and money. In the long run it has allowed us to be more flexible in the face of an ever changing FIT.”

“We would not have got as far as we have without all the volunteer expertise we have.”

³ Based on a conservative estimate of £70/hour for professional fees and £10/hour for administration.

“Renewable Energy Systems Ltd are based in Kings Langley and provided essential technical and financial expertise.”

“Essential - we would not have got off the ground without this as there was no grant funding to pay for external help.”

“Support from directors and volunteers has enabled us to develop our organisation and our projects on a shoe string.”

“Between us we are able to draw upon a wide variety of skills, each crucially important for the varying aspects of running a member led democratic community energy coop. Without these we would have to pay extortionate amounts of money.”

“The project has been driven forward by the current directors, and we have been very fortunate to have almost all of the skills required within a very small group of people, including crowd funding, environmental science and archaeology!”

“The sharing of the tasks among people with detailed knowledge of these areas means that the group can deliver projects without excessive burden on one of two individuals.”

“Being able to draw on the professional skills of our volunteers has been invaluable to the project. We could not have come nearly as far in the process as we have without them.”

“It means that we can deliver the project at a fraction of the cost that it would otherwise be to set up and manage the community energy group. The expertise, admin support and marketing of Cumbria Action for Sustainability has been an essential ingredient in the success of our share issue.”

“It's been incredibly useful to have the input of people with a broad mix of skills, from legal to company secretarial to public engagement.”

However, it is also recognised that in order to be sustainable in the long term (and especially in the face of seriously demotivating government policies) community energy groups need to be able to generate sufficient income to provide for some paid work.

Volunteers will always need to be supplemented by professional support, particularly as we move into the next phase of the project for which we will need to apply for a grant

We would like to provide sufficient income for MORE to have at least one part time member of staff to continue development work and help reduce "volunteer fatigue".

Just over half of the organisations that have established projects pay for some staff time – equivalent to 30 full time posts in 16 organisations.

3.1.3 Supporting Each Other

Community energy groups do not work in the same manner as private companies. They are far more open to sharing information and resources. This in itself has made a huge contribution to the rapid growth of the sector, as new organisations are able to learn from the experiences of others, and not waste time repeating the same activities. For example, good practice examples of how to develop a business case, how to deal with insurance and tax issues, how to interpret guidance etc. are regularly shared between groups.

- 90% of existing groups provide ad hoc information and advice to other individuals and groups

- 83% of well-established groups provide formal mentoring to newer organisations.

“We needed to do financial modelling for a range of scenarios on PV schemes we wanted to develop. MORE Renewables shared their spreadsheet with us, so we can use it again and again.”

3.2 Project Scale

Until very recently there have been two distinct types of community energy project:

Small scale: the local group is set up to raise investment to install a small number of renewable energy systems - usually PV - on local community buildings or schools. These groups generally start with one system, and when they have proved the model and their capacity to deliver it, go on to complete a few further schemes. These groups can usually manage much of the project themselves, or with support from other similar community energy groups. This type of group represented around half of respondents that have already installed schemes.

Larger single project: this type covers the development of generally a single large-scale scheme such as a wind turbine / wind farm, solar farm or hydro scheme. These groups generally rely on professional expertise to develop and deliver the project. The schemes take much longer to develop and will usually require external finance at some stage in the form of commercial or social loans.

In 2014/15 a new trend started to emerge for multiple sites demonstrating the growing ambitions of the community energy sector.

Multiple sites: groups aiming to own a large number of different schemes (20-100+) with different technologies, often a mixed portfolio of small PV systems and either wholly-owned or shared ownership of a larger asset such as a wind or solar farm. Many of these are organisations that have already installed a small number of systems and feel they have the capacity to grow to deliver far larger projects with wider benefits. Some of these are working in partnership with the Local Authority or Housing Association who are able to help deliver multiple sites. This also reflects the difficulty in getting a sufficient financial return from the ever-reducing FIT rates to raise equity capital to deliver smaller community schemes that in themselves are not financially viable. These multiple site projects however bring huge organisational challenges and require significantly greater voluntary effort to co-ordinate.

3.3 Age of Community Energy Organisations

This is a very young sector. Although first community energy scheme in the UK (Baywind) was set up in 1996, most community energy organisations (with the exception of hydro) have only started up since 2011. This is clearly due to a combination of the availability of the FITs and falling PV prices, allowing groups to initiate relatively straightforward schemes, and growing confidence in the potential of community energy projects. There has certainly been a snowball effect: the visible success of the early organisations, promoted locally and nationally, combined with the set-up of supporting structures such as CEE and the Community Shares Unit, has allowed groups of individuals to believe that they too can make a project happen.

This confidence in the future of the sector has been severely undermined by the government’s string of renewable energy policy announcements in the summer of 2015.

4 Community Energy Projects

Community energy projects have grown exponentially since the introduction of the FITs, and it is no surprise that the majority of the projects are to install solar PV, given its relative simplicity, its suitability as a building-mounted technology and the fact that in many cases the schemes are classed as permitted development.

4.1 Renewable Energy Systems

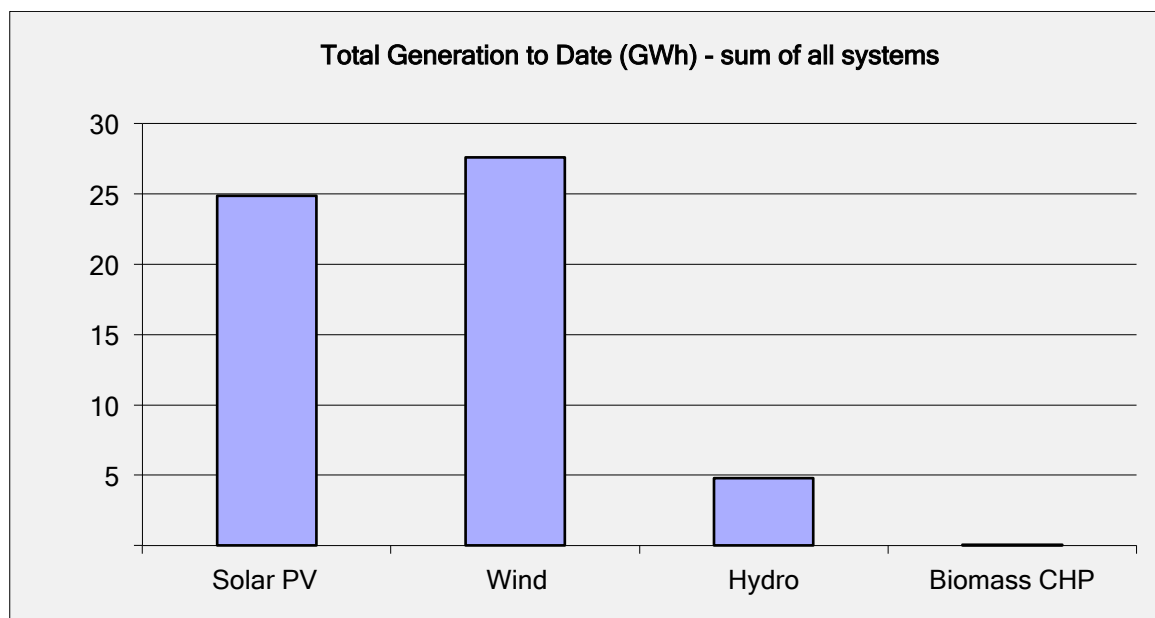
4.1.1 Existing Projects

Thirty eight organisations have already installed a total of 175 separate renewable energy schemes. As expected, the majority of these (82%) are solar PV.

These projects:

- Provide 30 MW of renewable energy capacity
- Have generated over 57 GWh of clean electricity since start-up
- Have reduced CO₂e emissions by 26,500 tonnes⁴ since start-up

	Number of Schemes	Capacity (kW)
Solar PV	144	22,770
Wind	16	6,905
Hydro	14	663
Biomass CHP	1	100
Total	175	30,438



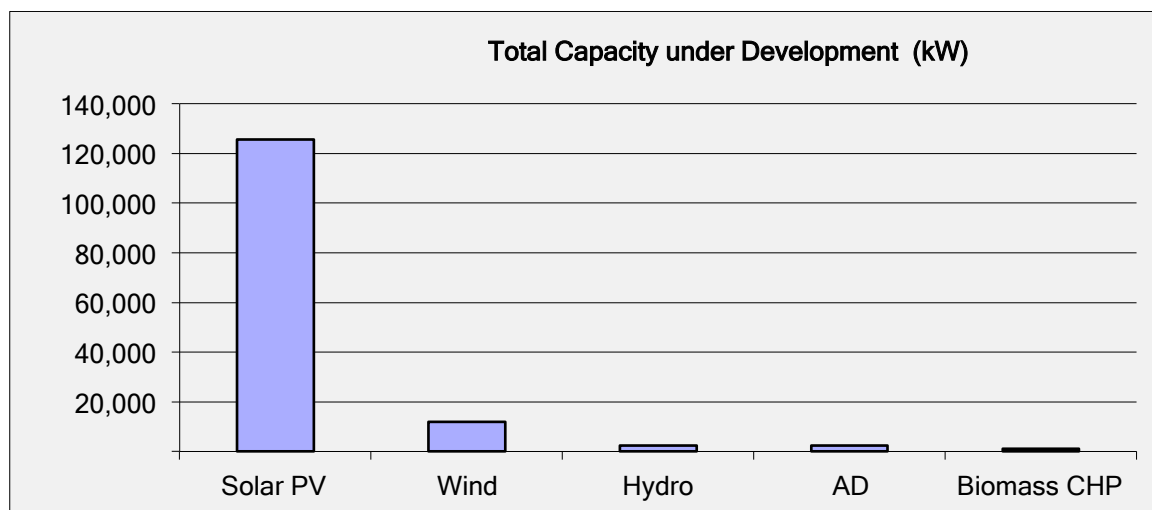
⁴ Using Defra's CO₂e conversion factor for 2015: 0.46219 kg CO₂e/kWh

4.1.2 Projects in Development

At the date of the FITs consultation, 55 of the 81 groups (68%) were in the process of developing further projects. Some of these plans were considerably developed and most have been since put on hold due to the uncertainty caused by the FITs policy consultations and announcements. (These are discussed in Chapter 6.)

The survey revealed the following renewable energy schemes under development:

- 448 separate schemes
- 145 MW of capacity
- 87% solar PV
- 24 schemes of 1MW or more, of which 15 are solar PV, 7 are wind⁵ and one each AD and biomass CHP
- The majority of PV schemes were due to be delivered by summer 2016
- Hydro, wind and AD schemes, due to their more complex nature, are mainly due to be delivered in 2016/17
- Community groups have typically already spent between 6 months – 2 years developing solar PV projects (3 years for larger schemes)
- Hydro groups have been working on their schemes for 2-6 years.



4.2 Investment

4.2.1 Existing Projects

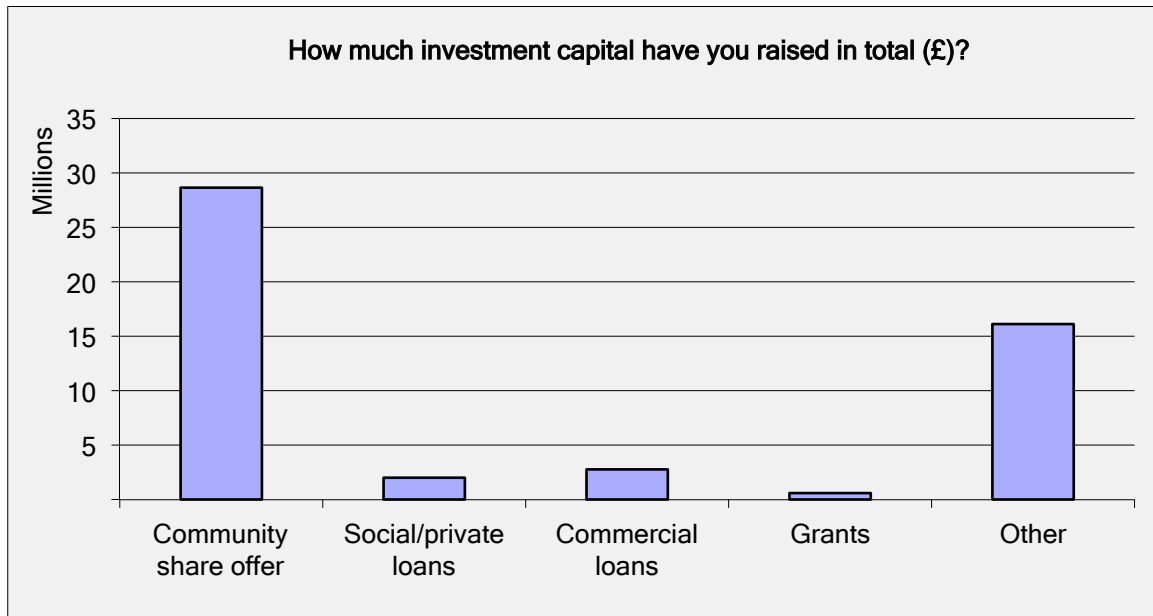
The 38 organisations with installed schemes **have raised over £50 million.**

Of this:

- £28.6 million was raised through community share offers (29 organisations)
- 9 schemes were part-financed through social or private loans
- 9 schemes were part-financed through commercial loans

⁵ Some of these schemes were relying on ROCs rather than FITs, but were planned by organisations also reliant on FITs for other schemes.

- Other sources include:
 - Westmill Solar attracted £12 million funding from Lancashire Council’s pension fund
 - One large wind scheme which was part-funded by SSE
- Grants only accounted for 1% of the total funds raised, and these in many cases were for non-generation costs or early feasibility work.



Although the survey did not investigate the motivations behind this level of individual and social investment in their community assets, other research⁶ has shown that the local and social returns are highly significant to members of community energy schemes.

“ROI is actually not what motivated people. They want to be involved, not doing, but having certificate in the file, and knowing they played a part in it.” (Baywind interview)

4.2.2 Projects in Development

The 55 organisations with schemes in development were planning to raise **£167 million**.

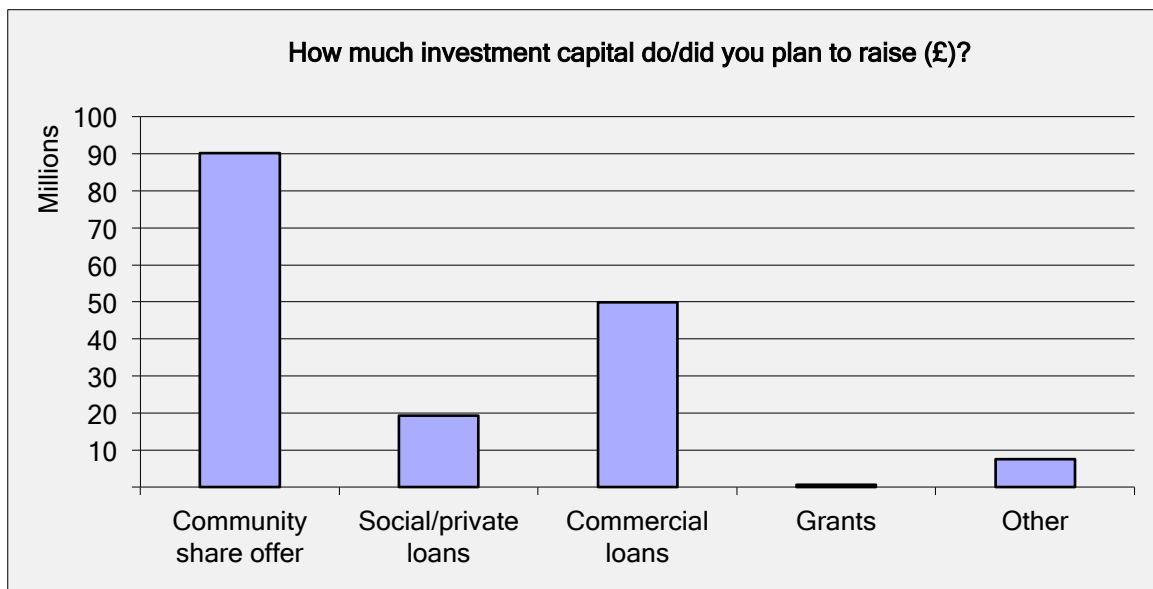
The source and scale of investment planned demonstrates the previous levels of confidence in the growth of this sector, and its attractiveness to private individuals and social investors.

- **£90 million** was expected to be raised through community share offers
- A further **£19 million** was expected to come from social or private loans.

It is noticeable that the level of commercial borrowing for these potential future schemes is higher than for existing schemes. This is probably due to a combination of the larger scale of these projects and a need to secure commercial finance or underwriting to enable a project to be committed prior

⁶ NESTA 2014, Understanding Alternative Finance – <https://www.nesta.org.uk/sites/default/files/understanding-alternative-finance-2014.pdf>
Community Shares 2015, Inside the Market – <http://communityshares.org.uk/resources/community-shares-inside-market-report>

to the community share offer. It is likely that the value of commercial loans would fall over the first year of the scheme: several existing large schemes that planned to rely on commercial finance found their share offer sufficiently over-subscribed to pay off some or all of the loan. However, most of this planned investment is now unlikely to happen.



4.3 Income

All of the existing schemes rely on FITs or RO for part of their income:

- Income from FITs for the 38 schemes has totalled £7.4 million to date.

Earlier building-mounted PV schemes were able to offer free electricity to their host organisations, but as FITs rates have degressed the trend has been towards charging for electricity at a reduced rate to provide another income stream:

- 61% of schemes offer free or reduced rate electricity to their hosts.

5 Community Benefits

The most visible and quantifiable short-term benefit to communities from community energy schemes has been the ability to provide low cost energy to the often struggling or cash-strapped community organisations (and particularly schools) that host the technologies. However, as schemes are installed, and the groups developing them expand their ambitions, community energy is increasingly being seen as a mechanism to provide a whole host of other community benefits.

5.1 Community Benefit Funds

In the same way as many commercial schemes, community energy organisations typically also aim to generate a community benefit fund:

- 30 organisations with existing schemes are set to generate community benefit funding of **£23 million** over their lifetimes
- 29 organisations with projects in development expect to generate an additional **£26 million** in community benefit funds.
- A significant amount of the latter is unlikely to happen as a result of the FITs review.

These funds are being used to support a wide range of local activities, although the theme of sustainable living runs through many of them.

Existing schemes are funding or plan to fund the following activities:

"Our insulation scheme in 2012 saved our village £30,000/year"

"Funded a thermal imaging camera for our sister organisation to help them carry out fuel poverty work."

"Any surplus income from PEC Renewables is transferred to PEC to fund work around fuel poverty and lowering carbon emissions in and around Plymouth."

"Energy audits for local community organisations."

"Computers for low income schools."

"Educational work with households in fuel poverty and hopefully some insulation or energy saving measures."

"We have Sunshine Grants and have given 8 or so so far e.g. for shared community centre bicycle, beehive, yardens event around Old Trafford, support for choir, brownies, asylum seekers...all projects voted for by members at community events."

"In its first year this funded five local community groups to undertake energy audits of community buildings, install insulation at community buildings and run a fuel poverty advice service."

"Help our local sustainability groups to promote their activities with leaflets, advertising and hiring halls and marques at village, county shows."

"The parish has a heritage that extends back to the Roman era, and was important in both the Medieval period and the Industrial Revolution. Funding will be available to bring this wealth of material to life for residents and visitors alike."

"Community facilities e.g. repairing village hall roof, schools equipment, OAPs meals and days out, heritage asset protection, village societies e.g. music society, 3rd sector providing community

healthcare e.g. Parkinsons, community healthcare e.g. defibrillators, local special needs schools, social care in the community, maintenance of community assets.”

“Projects could include improving children’s play areas and sports provision for all age groups; better provision of local allotments; improving walking/cycling routes to the nearby Area of Outstanding Natural Beauty.”

Developing projects have already planned how to use their community benefit funds. There are common threads running through these:

- Helping those in fuel poverty
- Improving the energy performance of local buildings including homes
- Supporting other local sustainability activities
- Providing or protecting local assets.

“Fuel poverty projects - dependent on what members choose to do but to date have indicated that there are three key areas for support: (1) direct support to alleviate fuel poverty, (2) community buildings reduce running cost (3) small grants award to raise profile of the work we're doing and enable smaller organisations to get some benefit.”

“Carbon reduction measures for the vulnerable / fuel poverty. This will include improving the energy efficiency of their home.”

“No specific plans yet, but considered home insulation, car share scheme, cycle routes etc”

“We would have used it to support the activities of local fuel poverty/energy reduction organisations.”

“Advice and funding of insulation and draught proofing; helping consumers switch suppliers; focus in our local neighbourhood and surrounding area.”

“Community carbon reduction and fuel poverty projects”

“Tackling fuel poverty, supporting vital rural services, supporting youth and apprenticeships, enabling other communities to set up their own community energy projects”

“Community gardens, farmers market/ Super Saturday events, a Bakery Social Enterprise Project to develop training and work placements to disadvantaged people and those far removed from the work place.”

“Here For You Centre - a one stop shop for those seeking financial advice, welfare advice, healthy eating and support in encouraging volunteering and in finding employment.”

“Health and well-being projects; Youth projects; Arts and craft projects; Community transport projects; Community led initiatives in the longer term yet to be determined (such as helping to fund a community swimming pool!)”

“Low energy building education and refurbishment; wildflower meadows; landscape enhancements; community orchards. Possibly funding towards a new recycling facility.”

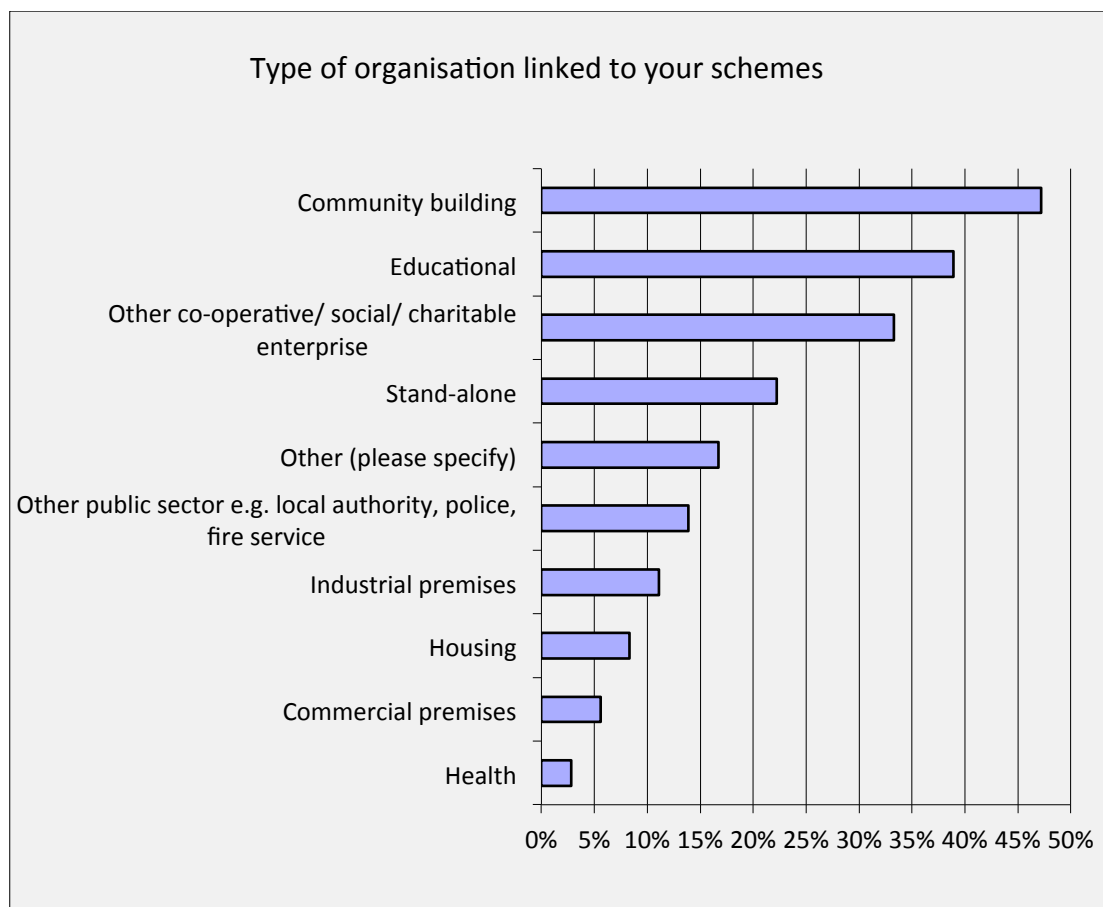
“It will be a balance between energy conservation measures and requests from the community on topics not related to energy (e.g. Scout Hut).”

“District heating for 500 homes.”

5.2 Cost Savings for Host Organisations

Twenty respondents were able to quantify the value of the energy savings for their host organisations:

- 20 schemes currently provide **annual energy savings of £172,500** to schools, parish halls, churches, sports centres and other community buildings, farms and homes. This benefit will increase over time as electricity prices rise.
- Many host organisations also have a share of any operating surplus of the community energy group by being members of that group.



"In all cases the benefit to the host organisation is saving money on energy bills this allows them to provide more and better services to their users. In most cases the buildings we help provide services for people in deprived areas current we calculate that 11,000 people use these buildings on a regular basis and benefit indirectly from our systems"

"Most schemes would be of relatively small financial value, e.g. a farmer with a 50 kW rooftop array would save approximately £1000 per year on electricity bills. But there is no cost to the hosts and most like the idea of contributing to a community enterprise in which all the profits go back into the community."

"The cost savings are important to St Giles Hospice - but their declared reason for involvement is to help the environment and further the local green agenda."

"Most of the cost saving goes to the doctor's surgery that rents part of the village hall and uses a lot of daytime electricity."

"The two schools benefit by having us supply half of their electricity needs at a rate up to 75% cheaper than they can get it elsewhere ie; 2.5p per kWh. The co-op did all the work that the installation involved including raising all the funds."

"The cost savings are important. The community centre is thriving but still relies on grants, income from use of building etc to support people. In a deprived community, it's hard to raise cash."

"BF Adventure provide outdoor education for young people, especially disadvantaged young people. Their annual energy bill was £5k. With the wind turbine energy provided at a lower rate they save £2k per year so can spend that on providing more services."

"Community energy groups tend to be a more tolerant and accommodating partner for schools than commercial developers – for instance we accept that schools will need to remove the panels for repairs occasionally and won't penalise them for that. We will also maximise the size of the installation to give the schools as much electricity as possible, even if this provides us with a slightly lower return"

5.3 Educational benefits

Schools and community buildings feature highly in the host organisations supported by community energy groups. The educational benefits of these are frequently cited as one of the most important reasons for undertaking the project.

"As part of the LCE scheme, we intend to install an energy display in a prominent location in the School and an on-line monitoring system. The energy data will also be available for pupils to use for coursework. It will allow them to explore how the amount of electricity generated depends on a number of variables – such as season, temperature, cloud cover and the elevation of the sun in the sky. This will provide a rich curriculum resource for all kinds of scientific and mathematical enquiry and data handling. It might even be that enterprising young "coders" may be able to write their own "apps" to interrogate the data feed from the system."

"Many schools across the country, such as local school St Andrew's are already benefitting from PV, not only through reduced energy costs, but also the educational benefits which are also inspiring young people in their classrooms."

"Our schemes bring our local schools a cost saving, giving additional income to spend on the local children's education, and an educational package that can be used for all kind of lessons ranging from Geography, Physics, Maths and Business studies."

"Approximately 5000 school pupils will benefit over the next 12 months from solar energy teaching resources currently in development linked to real-time solar energy displays viewable from any computer in the schools with community financed PV installations."

"For our second scheme as well as local press publicity and information panel, we also had a schools eco-officer who led lessons in the school about what we were doing."

5.4 Supporting the Local Economy

Community energy projects provide a triple benefit for the local economy.

5.4.1 Supporting Local Businesses

The majority of schemes use local installers for the initial capital works and then continue to support local businesses with contracts for ongoing maintenance as well as organisational support: accountancy, website maintenance, administration etc.

Small-scale community energy projects almost invariably use very local contractors, and this is explicitly part of the aim of many of these organisations.

- The 38 organisations with existing projects have provided work for **161 local contractors**.

Of the £50 million raised for investment in existing projects:

- **45% was spent with local businesses (£23 million)**
- 43% was spent with national businesses (£21 million)
- 12% was spent with non-UK firms (£6 million)

The value of ongoing contracts with local suppliers is estimated at over **£1.1 million per year**. Many of these services will need to be provided for 20 years, giving a potentially secure long term income to local businesses.

“Since we use mostly local businesses this means we are supporting the local economy. The host organisations were also able to get better contract terms than from a commercial supplier.”

Baywind Energy Conservation Trust (Baywind’s community fund) has an account with local building supply company. They encourage people to spend up to £200 on energy conservation materials or to contribute to efficient boilers. The local plumber is able to use the building supplier to enable older people to replace their boilers at a reduced cost.

An installer’s view is that *“we provide a lot of business to local scaffolders, regular work for domestic energy assessors providing EPCs⁷, panel and inverter suppliers and firms making specialist roof fittings and products.”*

“Since 2011/12 we’ve ridden the ‘solarcoaster’ of policy changes. Businesses like certainty and a level playing field, as soon as you make radical changes it undermines consumer confidence and that is devastating from a turnover point of view.”

5.4.2 Recirculating Money in the Local Economy

“Keeps value in the community.”

The local multiplier effect, or recirculation of money around a local economy, applies to any income generated. A multiplier of 1.7⁸ is typically applied to quantify the value of this to the local economy. This recirculation effect therefore supports other local enterprises, jobs and organisations, and helps to keep local communities economically vibrant.

⁷ Energy Performance Certificates

⁸ Based on CLES research with local authorities procurement and suppliers

Members of community groups tend to be people who are local to the project or have local connections. For typical smaller PV schemes, community organisations offer share interest of, on average, 4 – 6%⁹, which in itself generates a wider economic benefit to businesses in the local areas that are involved in community energy schemes. The £28.6 million of community shares issued will generate a typical return of 4-6%. Assuming a 5% return, £1.4 million annually is returned to members.

Using **local suppliers and contractors** is common with local community renewables projects, and 45% of project capital spending was with local contractors: this was worth £23 million. A further 1.1 million is estimated to be spent annually for ongoing contracts, the vast majority of which is with local firms.

Finally, the valuable **community benefit funds** that will be provided to the tune of £23 million over the project lifetimes (typically 20 years) will support community investment through charity, community, regeneration or other projects, and again, the local multiplier will apply.

The net value of these different spending patterns to the economies local to the projects can be estimated at:

- **£2.4 million** annually from member returns;
- **£1.9 million** annually from ongoing contracts;
- **£2 million** annually from community benefit funds;
- **£39.1 million** from local installation contracts.

Another £21m was spent with national contractors, who will spend a proportion of that income in their own local area, bringing a knock on benefit to their own area, recirculating money beyond the local project area, but providing economic benefit more widely.

This survey did not seek detailed information on community energy members, but research by Nesta in 2014¹⁰ into community share investors found that 60% of investors were in an annual income bracket of below £35,000, that 40% of investments made were between the £101 – 500 bracket and that 77% of investors had only invested in one scheme, demonstrating that they are not portfolio investors. This rings true with community energy share offers which generally aim to be accessible to **ordinary, local people** on a range of income scales. The Community Shares Unit records a huge recent growth in the community shares market, with significant growth after 2009. The Enterprise Investment Scheme market prior to 2009 had zero sub £500 investors, which now constitute 6% of this market.

5.4.3 Increasing the Viability of Local Organisations

Reducing energy bills for host sites allows them to remain viable or use their money to invest in other activities. This has been a particular benefit for schemes hosted by farmers and other local businesses.

⁹ In the early days it was thought necessary to offer nearer 7% and share interest would still be higher for other technologies.

¹⁰ The UK Alternative Finance Industry Report (NESTA, 2014)

“Hugely important as our community schemes are hosted on farming premises where we work with the farmers to diversify and make best use of reduced energy costs e.g. rare breed meat business using energy for cold stores and processing. Plus we install a dedicated 3 phase supply to each farmer to allow them to purchase and operate more energy efficient 3-phase equipment and machinery.”

“Each of the single 250kW wind turbines is located on small rural farms, which are struggling financially. The rent received from the wind turbines is a huge help to the farmers.”

“The installation at the Farm provides electricity 35% cheaper and the farm uses 60% of what is generated.”

“Farm runs a B&B and has a green tourism business award. This helped their marketing.”

“It would help ensure the viability of a local business and employer.”

“Will make company carbon neutral. Helps marketing.”

“Our combined Phase 1 solar PV, insulation and Immersun heating project has been operational for a year delivering significant benefits to the Village Hall and Social Club which are more comfortable in all weathers. Bookings are up and bills down.”

“The installation gives the Village Hall a long term regular income and a sustainable source of electricity.”

“These schemes are vital to the Trust's long term sustainability. Revenue funding remains an ongoing issue for us as a community organisation.”

“We installed a solar PV system for a seamstress’ workshop. She called me up a few months later and said “I don't know how I am going to pay this electricity bill”, when I asked the problem and how much it was she said “” its 49p this quarter”.

“A few months after the solar PV had been installed, the school’s electricity supplier contacted them and asked if they had been having problems with the supply because their consumption from the grid had dropped so much”.

5.5 Communication and Publicity

Community energy groups are very effective at raising the profile of sustainability, climate change and renewable energy in their localities. Most groups run events and use local media to talk about their project as it is being developed. These are very grounded in the local community activities and communication routes, but often also use interesting means to get the message out. In essence, community renewable energy projects involve local people talking to others spontaneously in their local setting, and as such, the communication holds far greater weight than any communications campaign carried out by an “outsider” such as a commercial developer. This local communication also provides space for frank and open discussion about renewable energy, planning issues and concerns, and deal with any controversies that may arise.

The comments below are typical of the activities described.

"Visited local parish councils, gave talks to local groups, held stalls at local agricultural fairs, visited local primary and secondary schools to talk to children, met with key stakeholders, held public meetings."

"Presentations at local events such as the Produce Show and to local organisations e.g. the Parish Council. Press releases in local media. Emails to Low Carbon Lymm mailing list. Posts on Low Carbon Lymm website, Facebook and Twitter. A lot of word-of-mouth communications."

"Four public meetings, an electronic survey, survey at village fete, emails and website, exhibition at local libraries and articles in local press and websites."

"Attended a large number of community events, briefed key local organisations and business community, wrote articles in village newsletters, developed website and facebook page, regularly tweeted, sent press releases, did door-to-door leafleting. Large and well-publicised launch event at the school."

"Training courses, workshops, site visits. Despite many challenges we have worked hard with the local community and local authorities to highlight the need for the community to make changes to combat climate change."

"Shop. Annual Energy fair and green open homes. Regular articles in the press. Support for local parish councils. Schools. Story board. Community meetings in relation to the share offer. Christmas tree. Dickensian evening. Ashridge initiative with Okehampton college."

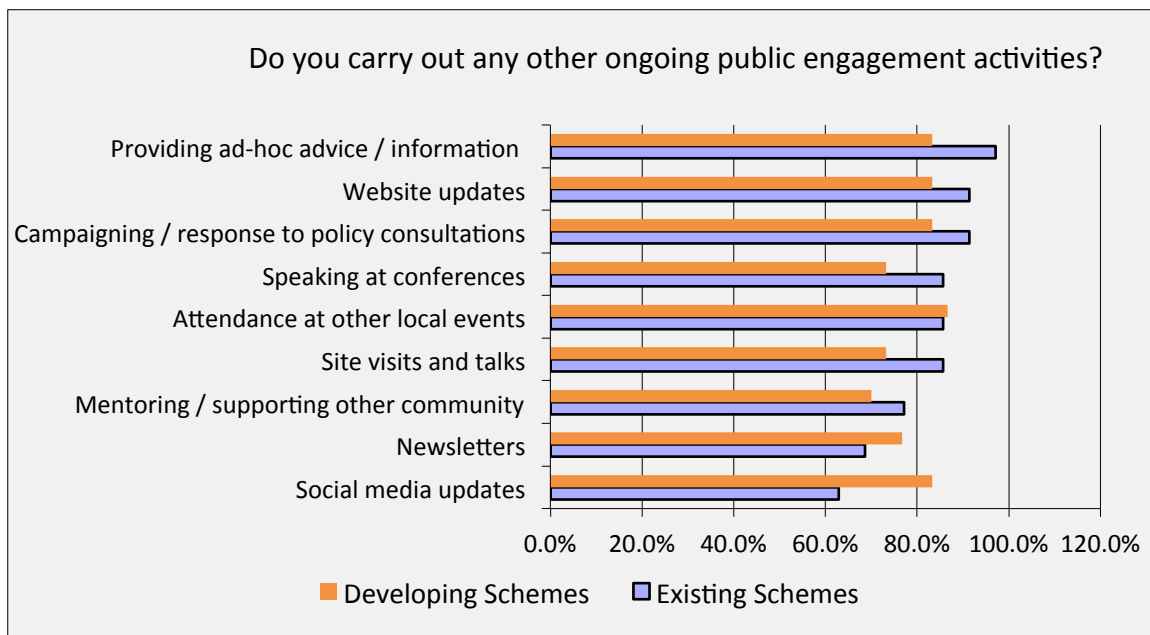
"We are mid-way through preparing educational materials around the subject of Zero Carbon Bristol, and how we get there."

A major element of public engagement was to apply for the M&S Energy Fund and then encourage people to vote for the project. We came a close second in the voting so will not win the funding. However, the secondary benefit (apart from the chance to win the money to install the array) was to raise the profile of the group through a wide range of channels. This "call to arms" that reached a large audience would have a much greater impact if we can succeed in installing the array on the community library.

"We organised a very successful presentation of the project to the village, attended by some 100 people (total population of village c 900. We have kept the community informed of progress through regular articles in the Village News and on our website and the dedicated project website."

"We usually have a stall at local sustainability events so have encouraged individuals to install their own renewable energy systems."

However, unlike commercial developments, the public engagement continues well after the scheme has been launched. All the groups either already do or plan to continue to actively engage with their local community about their project, and sustainability, climate change and energy issues.



“Ongoing village energy fair, local bill switching service, Electric Bike club, monthly evening green talks”

“We were planning on working closely with the Bury fire station with education and support and this would work very well as they are an eco fire station. For example they have regular school visits, which we plan to work together on, and visiting the hydro to educate on renewable energy and its environmental and community benefits.”

“We also plan to work with other groups and schools both on and off site, and will have an education board and seating area.”

“We have been, are and will be running a series of community energy programmes which supports not only the share offers of these projects but also enables other communities to start and develop their own community energy projects. We wish to use these projects as a launch pad for a revival in community hydro schemes across Cumbria.”

5.6 Social Impact Benefits

Community energy generates a wide range of valuable benefits that are difficult to categorise or quantify. Partly this is due to the nature of well-motivated community groups: they tend to spot opportunities to do good things with what they have. Benefits spin out from this type of scheme that may not have been considered in the original concept of the project.

Community energy organisations take part in their local community – supporting other organisations, not just in the energy arena or through providing community benefit funding and services but by participating they help build the sense of an active and motivated community, raising social capital.

- 88% of existing community energy groups actively participate in other local events.

“We see communities coming together to set up a renewable energy scheme as a catalyst for co-operation. So an area might start a renewable energy scheme, then further co-operatives develop, a

community shop, community-owned pub and so on. In that respect, we'll lose the community cohesion and social benefits that these schemes foster." Ian Rothwell, Development Manager, Co-operative and Community Finance

Below are some examples of the further work that community energy groups are doing or have initiated.

"Grand Union Community Energy initiated the Transition Streets programme in Kings Langley, and won £15000 from DECC Community Energy Saving Competition, to make the materials easier to "localise" and implement the programme in 30 local homes. We have run training courses for people implementing Transition Streets in their own area. Following our training courses, other local groups expressed interest in launching Transition Streets in Letchworth, Berkhamsted, Tring, Chesham and Watford. We regularly meet with other community energy groups under auspices of Hertfordshire Community Direct Action (CDA) through which we are engaging with Herts County Council and other local councils to participate in their Sustainability Conference planned for 5th November 2015."

"We have given energy advice to several hundred individuals and secured funding (through other schemes) to provide external and internal solid wall insulation to households. Christine Hale of Trent Valley Road said 'Southern Staffordshire Community Energy helped us to get subsidised external wall insulation for home which has made a tremendous difference to our comfort and also makes the house look so much nicer. As a local community organisation we felt we could trust them to give us straightforward advice and so it proved.'"

"Before I started this project, all I could think about was how to get off this estate, but last year, over many months of the project, I was delighted to see my two older children and some of their friends become part of Repowering's 30 week internship programme, where every week they were engaged in learning – and getting paid. As they learned, I learned too and participated in a variety of free workshops that ran on the estate, including draught busting and energy saving... This project is something I feel is a really worthy cause, that will benefit us as a community and provide further opportunities for our young people in the long run." - Banister House Estate resident, Banister House Solar Director

"We act as mentors as part of Co-ops UK peer mentoring scheme and are helping set up other co-ops. We are founder members of Community Energy South and we delivered 50 home energy assessments as part of the LEAF scheme." Brighton Energy Co-op

"We helped the host organisation to comply with planning permission requirements without use of its own money."

"We offer advice to the managers of community buildings on how to make them more energy efficient."

"A number of domestic low carbon workshops across the borough, delivered by Carbon Co-op:

- *"Energy Heroes"" curricular programme in at least 6 schools in Year 1*
- *12-month programme for Youth Councillors leading to recognised accreditations*
- *Eco-conference for young people in Feb/March 2016*
- *New national Community Energy Apprenticeship standard development with BIS"*

"Community groups in the city have come forward for advice, collaboration and support since proving that it can be implemented in an urban environment. One investor is treasurer of a local charitable foundation and wants to install solar on their craft workshops. Others have decided to put

solar panels on their own homes. Other community buildings are now interested in solar or renewable heat projects - but these will probably not go ahead with the FIT reductions.”

“We anticipate that there would be potential for postgraduate level research into the project and proposed restoration of the eel-pass and fish-pass which should contribute to the restocking of the river.”

“We have been training Local Energy Champions (8 recently trained to City & Guilds Level 1 with NEA) and linking to BESN. Have secured Awards for All funding to run a Pop Up Energy Shop where we will do energy bill checking and give energy efficiency advice. We are planning (as a member of Community Energy South) to introduce a community energy tariff, to train champions to a Level 3 CPD qualification that enables them to go into peoples' homes and recommend energy efficiency and energy generation measures. We are looking at partnering with Kent Credit Union to develop community finance as part of the Community Energy plans. Sustainability Connections is a member of the Retrofitworks Co-operative and community engagement has very much been with the view to referring energy efficiency measures to local installers (building on the 300 strong Greenov, Green Retrofit Cluster built prior to setting up Sustainability Connections). Closely linked to Big Local Dover and looking at Community Energy plans for Dover Town Centre.”

“We would use the installation of solar panels to undertake a local campaign on domestic energy efficiency, fuel poverty and renewable energy installations.”

“Democratic community engagement and inclusivity means our meetings are well-attended and we enjoy wide support.”

“Our purchase of their PV system contributed to the development achieving Zero Carbon Homes accreditation which exempted their members from paying stamp duty on the purchase of their homes - worth around £2,000 - 2,500 per household.”

“Obtained “match funding” of £15,000 from Suffolk CC to enable the village hall to be insulated, double-glazed and heated in a far more effective manner”

6 Thwarted Ambitions?

There is a massive sense of disappointment across the sector. Following the positive messages from the Community Energy Strategy and the Shared Ownership Taskforce in 2014, community energy groups were forging ahead with plans to install renewable energy projects that would deliver multiple and often un-quantifiable benefits in their local areas.

6.1 Projects in Development

The majority of respondents have said that they are now putting their projects on hold, or even cancelling them, as a result of the recent government policy announcements, consultations and generally negative attitude to renewable energy.

- 90% of respondents said their developing projects are completely (67%) or partially (23%) at risk due to the FITs review.
- This represents a capital investment of £127 million that is now not likely to happen.

Many respondents were hoping their schemes may be rescued by preregistration before the 30th September deadline, and this has been accounted for in the figure above, but there was a huge level of uncertainty as to whether many of the submissions for preregistration would be accepted due to the haste at which they had to be prepared and submitted. Some of the more experienced and well known groups were receiving a large number of requests for assistance from schools, from other smaller and less experienced groups and from local authorities right up until the deadline.

Several key themes have emerged on the impacts of the policy changes:

- The proposed new FITs rates for PV make new schemes unviable, particularly at the scale of system that most community energy organisations install (10-500kW), even for those organisations which group more than one project together to spread the overhead
- Removal of pre-registration and pre-accreditation has badly hit projects that take a long time to develop: all hydro and wind schemes, plus the more complex PV schemes or those that involve a range of partners or multiple sites such as social housing or groups of schools
- Many community energy organisations were starting to look at larger scale schemes, either on their own or as shared ownership projects, driven by a desire to provide long term income to support their growing social objectives: these are all now at risk
- Reversal of the previously supportive policy environment for renewable energy is already seriously affecting the ability of community energy to raise equity finance, either from individual members or the commercial or social providers: the public is confused about whether government support is being withdrawn altogether, including from existing schemes
- Messages in the press about removing support for renewable energy are making it hard to engage with potential partners or host organisations, who feel that there may be little point in talking to a community energy organisation when the project is unlikely to go ahead
- The policy changes and uncertainty are making many individual and groups reconsider the amount of effort they are prepared to put in to develop projects that may be killed off by further changes before they can reach fruition.

From the survey respondents:

“A planning application using shareholders money as specified in the Pioneer share offer, was prepared and submitted at the end of July 2015. The project was caught by the sudden consultation

on pre-accreditation in late July 2015. We tried to get planning and EA consents but had an objection from the EA which meant we missed the September deadline to pre-accredit before any changes to Feed in Tariffs at the end of September 2015. We, along with many other community groups submitted representations to the consultation stressing the difficulties the project would face if pre-accreditation was removed. Sadly, the outcome of the consultation was to remove pre-accreditation for all projects with no exceptions allowed for community energy projects. This along with the further cuts to Feed in Tariff mean that we are unsure if the project is going to now be viable. We were hoping to give shareholders 4% return, but now the finances just aren't stacking up. We remain hopeful that there will be a reintroduction of pre-accreditation / higher Feed in Tariffs for community energy projects."

"We had planned to develop 1 MW of installed capacity across Liverpool City Region, focusing on commercial roofs. That has now been wiped out as a strategy and we haven't yet had the time to sit down and come up with what we can do in the future beyond delivering the two projects that were far enough advanced to pre-accredit/register."

"New Leaf Solar [the first community energy project on a landfill site] is a technically complex site which has taken a huge amount of time and effort to develop. Over £60,000 which has already been raised by a community share offer (and spent) could be at risk if we cannot find a way to manage costs and secure a suitable income for the project. The project was caught by the sudden consultation on pre-accreditation in late July 2015. We, along with many other community groups submitted representations to the consultation stressing the difficulties the project would face if pre-accreditation was removed. We would face a cut of at least 70% in the Feed in Tariff and struggle to raise funds without the certainty of pre-accreditation. The benefits outside of the project - including the fund to New Leaf - are at risk. We had also specified that the installers should provide a reduced cost installation offer to nearby residents and were looking at making provisions to enhance the ecology on the site - such as bat boxes or enhancing the habitat for Great Crested Newts. Cutting costs / corners on installation in any other way will not be possible due to the high level of care required in continued planning and during the installation itself."

"The financial model developed so far depends on FITs. At this stage, it is hard to see how the project can be viable without them. The project depends on involving the community not only as investors but also as voluntary labour for work associated with the project on the river and its surroundings. It would be hard to justify requesting such voluntary labour if the projected income to benefit the community was severely reduced."

"We have sought to pre accredit and pre register our sites and have submitted our projects to Ofgem in time. If we are successful then we should be able to go ahead as planned. However, if there are any problems that prevent us from being pre accredited or pre registered then we have completely lost the opportunity to develop these projects as without FIT, our projects will no longer be viable. We are on a knife edge with no room for manoeuvre or unforeseen circumstances."

"The proposed changes have reduced the appetite of our investors to invest in new schemes. They are concerned that other changes not yet announced will retrospectively affect these schemes before they are built and cause them to lose money but not achieve any social improvement "

"We have a 250kW community solar PV planned for Burneside, near Kendal which needs to be installed by Dec 2015 - which is a risky timeframe. We will lose the financial rationale for creating a community asset if we cannot raise £250,000 by December 1st 2015. We have 2 x 45kW community hydro schemes ready to go to planning but with the proposed changes in the FITs for hydro, there is

no financial rationale for their installation. Two remote communities in the heart of the Lake District National Park with little other means of raising community funds will be affected. Cumbria will lose some £600,000+ of investment."

"We were intending to work at scale across 20 sites and to make the project sustainable in the long-term by employing someone to administer the project. We are now only likely to get around 5 sites and will have to rely on volunteers for project administration."

"The two projects will be uneconomic and will not go ahead if the proposed FIT rates are applied. I have pre-registered them so may be able to rescue them. We are also in discussion with the County Council and the district councils about setting up a low carbon hub in the county to promote community renewable energy schemes and energy efficiency. The hub would be funded the income from FIT and energy sales created by the installation of around 1 MWp of solar panels on about 30 maintained schools. This project would be funded by a share offer and loans. With the proposed FIT rates this investment will not cover its costs, let alone produce a surplus for investment in the hub. This initiative will not happen with the new FIT rates."

"Grand Union Community Energy (GUCE) prepared detailed plans for Watford Community Housing Trust to install up to 500 kWp solar PV on 22 of their community centres and sheltered accommodation buildings. These plans were postponed following changes in government policy on social housing, and now closed following announcement about FITs."

"We were about to enter a shared ownership agreement for a solar farm which has planning permission but the grid connection agreement was not in place by the July deadline so will not meet the criteria for exemptions. The three policy consultations have made the developer re-consider the whole project and it is currently in limbo. The FITs changes and policy uncertainty severely affects our own business model to the point at which we cannot justify asking local people to entrust us with their hard-earned savings. Even if the private sector component proceeds under Contract for Difference, we would not be able to justify our community sector part, as we wouldn't be able to show a predictable level of income to our investors."

"We are ready to go with a 5MW solar array on an excellent site and in partnership with the landowner and are applying for planning permission in the next few days. Reading the consultation on the FIT review together with the Parsons Brinkerhoff study, and the FIT evidence on which that is based, our proposed investment will no longer be viable in that it would not be possible to offer an acceptable return to investors, nor generate any community funds in lieu of profits."

"We will probably be unable to attract share issue funding because there will be insufficient return on investment to attract shareholders. There will be insufficient residual income for us to be able to embark upon new projects."

"Although we have investigated projects involving a range of technologies, we recognise that solar PV is the main technology which we would develop in future projects. The Government's proposals will simply stop any small community schemes from being financially viable."

"On current proposals all schemes that depend on a FIT will be scrapped unless an alternate funding stream can be found."

"Whole community effort will be put on hold until more favourable investment climate emerges."

"Without FITs and pre registration community schemes will be seen as very high risk and not a good investment."

“Our ambitions have already been dealt a blow by the review of ROCs for onshore wind. The proposed reduction in hydro FITS also spells the end of the community hydro projects.”

“We consider further PV installations to be out of our reach financially if the proposed new tariffs come into force. This will mean our area will have considerably less rooftop PV than it could sustain, both in terms of grid connections and electricity demand.”

“Without FIT, wind projects at medium scale outside areas of extreme wind resource are non-viable.”

“We think that most schemes will just not happen, that the solar installation industry will collapse and the review of FIT is therefore most unhelpful.”

“We will need to put on hold our plans for community energy generation and switch our focus onto energy efficiency and switching energy providers. We will also have lost a lot of the trust that we have built and the cut in FIT means that our efforts to make the business case and bring people along with us will go back to scratch - or be at an even worse starting point than before.”

“They will be financially unviable.”

“The proposal will not take place.”

“They will not happen.”

6.2 Ambitions on Hold

Both the “old hands” and newly formed community energy groups had ambitions to develop significantly larger projects, and had felt confident that they would be able to deliver these:

- 49 groups quantified their future ambitions: many of these were in terms of the community or social benefit they could deliver rather than just the capacity of their renewable energy schemes;
- 34 groups estimated the investment they planned to attract to deliver these schemes, totalling **£266 million**
- 91% stated that these ambitions are at risk from the FITs review.

Typical ambitions described are shown below.

“20MW total installed capacity; 25 community groups supported and mentored; 200 volunteers mentored; 400 young people completing 30-week internship programme; 1000 households benefitting from installation of energy efficiency measures.”

“We planned to install 25% of the local Council’s RE target (111MW) by 2025 as well as develop energy efficiency and energy supply programmes.”

“We wanted to get 1 MW of solar PV installed as a starting point, where it went from there would be difficult to foresee. But the ambition was for that to be a stepping stone to the creation of a municipal energy company. This would have included work on energy reduction, fuel poverty etc.”

“We would look to install perhaps 1-5 MW of community wind in the area over time and generate a significant community fund that would be large enough to have strategic objectives.”

“Solar PV on nine community buildings in and around Deal/ former mining community, including Sports and Welfare club. Energy efficiency measures on three community buildings in Deal. Solar PV on roof tops of 80 buildings belonging to the Creative Foundation in Folkestone.”

“Solar 100MW over next 3 years; £30m community investment; £30m public sector investment; Energy generation infrastructure to underpin local energy company.”

“We are taking it one step at a time at the moment but our long term ambition is to become local energy provider over the next 20 years, by selling renewable energy generated locally to local consumers, thus reducing Brampton's reliance on fossil fuel generated power. This ambition would require smart grid technology and other infrastructure to be in place.”

“By the end of 2018 we aim to:

- Be an organisation with more than 10,000 members.*
- Have 30MWp of renewable generation capacity - principally solar PV and wind.*
- Have funded energy efficiency programmes for more than 2,000 households.*
- Have been instrumental in setting up resident's energy tariffs & other energy cost reduction schemes.*
- Be contributing CO2 savings of over 20,000 tonnes per year through renewable generation and energy demand reduction.”*

“We would like to see all community buildings and community organisations funded from renewable energy.”

“Our ambition is to develop and implement a minimum two solar PV projects per year over the next 5 years and beyond. This would lead to the installation of at least 350kWp based on similar sized projects to those already completed. This would involve raising another £400K most of which would be spent with local contractors and an increase in the membership to over 100.”

“We would like to see small scale PV, micro-hydro and renewable heat technologies installed to support our community buildings (Village Hall, Community Centre, Church, Primary School etc) but withdrawal of the FIT will make these projects difficult to justify. The language coming from Government is discouraging investment or fund raising. Everything is on hold.”

“5MW solar over the next 3 years. That's on 30-50 buildings, creating 10 jobs, org turnover £5m, 3000 members.”

“Funding to develop and quantify Grand Union Community Energy's ambitions for S W Hertfordshire is beyond the scope of our present volunteer skills, and will depend on developing relationships with Ashridge Business School through the biomass heating project, and generating a sufficient income to justify a paid staff.”

“We would like to: provide sufficient income to MORE to have at least one part time member of staff to continue development work and help reduce "volunteer fatigue"; provide income to support at least one full time staff member for fuel poverty work; be able to support other sustainability projects as well. To do this we think we need around 5MW of installed solar capacity, or equivalent income level from other technologies.”

“It is very unlikely that we will be able to realise any of these ambitions.”

6.3 Alternative Options for the Sector

There was a mixed response to the “What next?” question where respondents were asked about their alternative options post-FITs and how realistic these were. There is a level of positivity (or defiance) which may be embedded in a degree of resilience that many community groups have: they want to continue to succeed, but can't yet see how they will be able to achieve this.

Positivity or defiance:

- 48% said they would look at alternative options and business models, although most of these did not know what they would be or how they could work.

"In the absence of any kind of FIT, access to electricity market and direct sales to the public could deliver viability."

"We are likely to switch our focus from solar PV to LED lighting in schools. We want to develop a project where community groups can work on energy efficiency projects like LED lighting without relying on government subsidies and grants."

"We are looking at reducing the initial installation costs. At this stage it is all looking very uncertain."

"Only energy efficiency projects will be viable in future. It is not clear how community investment could finance such projects, therefore they are likely to be dependent on grant funding."

"We will be re-appraising our strategy in the light of final Government cuts"

"We believe that our AD proposal can be subsidy free and supported by commercial waste disposal contracts. However, Northfield Solar has indicated that CfD is on hold and at the strike price of the last round the project is unviable."

"We will look at other business models for electricity - which may involve grants (ERDF?) as well as looking at opportunities to link with energy savings. We'll also see whether there's anything else we can do on RHI (before that disappears too). It'll be very difficult - at least for the next few years - but we're not going away!"

Uncertainty:

- 29% did not know how or whether they would do anything further

"Until the dust has settled it would be a waste of our valuable time to plan any further projects."

"Groups we work with are dismayed and are not looking at alternative mechanisms. Projects will not take place - or be massively delayed."

"We do not yet know...just hoping the government will reconsider their destructive policy which will put back the industry for many years."

"We will now be looking raising money through grants and loans but we are not convinced that this will work in practice."

Giving up:

- 24% said they did not think any of their plans were achievable

"Not realistic now as onshore wind."

"No. Without favourable FITS and ROCs and CfD, these projects won't go ahead."

"There is no plan B."

"No, we do not think our ambitions are realistically achievable under the current FIT proposals."

"No - if FIT drops to what threatened in January then we will stop developing community energy."

6.4 Losing the Social Impact

The biggest loss from the FITs review is not the failure to deliver further renewable energy capacity but the impact this will have on voluntary organisations that are providing valuable services for their local community. The survey respondents provided information on the type of community activities that are no longer going to happen, as well as the impact the policy announcements are having on their own motivation to work to provide these local benefits, and the knock-on impact on motivation to volunteer in general.

6.4.1 Community Activities at Risk

- 98% thought their community activities would be wholly (80%) or partially (18%) at risk from the FITs review;

“All the potential community benefit, plus our own ability to keep trying to be ambassadors for renewable energy and climate change action.”

“At the moment we don't see how any of it will happen.”

“The services provided by PEC could become vulnerable if we can't generate income through renewable power.”

“Communities particularly, have less power and finance for such projects. The FITs can provide a perfect opportunity for supporting communities to carry out such projects. There will be no impetus for them to implement a project without the FITs until it is more financially viable in the next 2-5 years when grid parity is achieved.”

“We might become just a local association contributing to local events such the annual Science Festival and Climate Change Week.”

“We will lose momentum and most likely just concentrate on the small scale we have.”

“Potential for all the current activities to be lost and the group to close down if no other core funding is found.”

“Our nascent community fund is unlikely to grow large enough to do more than prop up local organisations.”

“We have worked with c500 grass-roots organisations across London and we know that many of them have looked in details at Community Energy schemes, in particular solar, to go on the roofs of mosques, schools, blocks of flats. A lot of organisations delivery plans were thrown off course in late 2012 by the sudden changes to the FIT, and there had been some recovery with groups starting to move forward again. These proposed changes will lead to the end of all of the projects we know about.”

“We will need to put on hold our plans for community energy generation and switch our focus onto energy efficiency and switching energy providers. We will also have lost a lot of the trust that we have built and the cut in FIT means that our efforts to make the business case and bring people along with us will go back to scratch - or be at an even worse starting point than before.”

“We will lose a potential community fund worth in excess of £100,000 over 20 years.”

“Without FIT we would cancel the community fund that would have been filled with part of the FIT revenue. If the project dies as a result of reduction in FIT, then all the community benefit and action on fuel poverty would be lost.”

“Future activities will be scaled back and possibly existing community benefits may also be reduced.”

“Puts us as a community under stress as we move slower than commercial organisations.”

“We will not be able to realise the economies of scale that make the community model truly sustainable and grant independent. We will not be able to support CAfS and the essential work it undertakes to reduce fuel poverty and to lower carbon emissions.”

“Yes. We will have no money to put back into other energy saving measures.”

“If we were to go ahead under the proposed FIT changes, we would not be able to offer any educational support and would not have a community pot to fund projects in the community.”

“We may well close down, resulting in the loss of energy efficiency advice and the promotion of renewable energy schemes.”

“It will discourage our community buildings from fund-raising to install renewables technology.”

“We will have no new money to go into our Community Benefit Fund.”

6.4.2 Motivation Lost

The question on motivation got a high response rate (despite being 80+ questions into a long and complex survey). The overall impression is that there is a failure to recognise the good that is being delivered by people who give up their time voluntarily to make things happen in their local areas and the sector feels it has been “kicked in the teeth” by the government when it has still so much potential to deliver.

- 92% thought these changes would adversely affect their volunteers motivation to continue to work in community energy;
- 43% thought it would affect the motivation of their volunteers to volunteer in other community activities.

“As the government proposals will suppress the growing enthusiasm for renewable energy and destroy most of the businesses in the sector, it's unlikely that further community energy schemes can be implemented. As a result, it's hard to see the point of volunteering. Community energy co-ops could not more perfectly fulfil what is required by the 'Big Society'. However, we have been too democratic and too successful for the government's liking and it has changed it's mind.”

“It's been a hard few years and is getting harder - we feel like we're fighting every step of the way. Right now we don't know what we can do to develop, and volunteer fatigue has definitely set in.”

“Causes a lot of uncertainty - people like to see potential for continuing long-term development and improvement and this is now seriously in jeopardy”

“Yes totally demotivated by the proposed drops in FITs”

“Yes - it's just caused a bunch of confusion and panic”

“Some directors have been involved for a couple of years setting up the organisation, running it (audit and FCA burdens are high) and spending many volunteer hours finding possible projects and

educating site owners etc about renewables. Some of them are very hurt that government has suddenly changed policy in this area and their efforts will be wasted."

"Our volunteers have worked hard to bring a successful model forward that can be replicated. The FIT proposals, together with the Ministerial Statement on Planning and Onshore Wind will mean that we will not be able to roll out similar projects with their associated community benefits. This is very frustrating."

"It has been a struggle from the start. As we set up the first project the Government cut FITs from the January and forced us to go ahead without full funding in place. The second set of panels was installed from donations and grants and a lot of sweat and tears. We are battle weary and yes, the new policy announcements and general trend will mean that any future renewable energy projects will likely be put on ice unless we can raise a good part of the cost from grants."

"It is likely that the removal, or drastic reduction in FITs will severely de-motivate a number of our potential members, because they will be unable to see a way to get the society up and running on a sustainable footing."

"We have worked very hard as volunteers, in our own time, for years to get these projects to where they are. Now they may or not be viable. The loss to the community is greatest, it is very disheartening to say the least. Projects will not be worth doing now and so no benefit to the community, all the inclusion and engagement work lost, all the community education gone."

"It already has, it all seems impossible now, the sums no longer add up, costs are coming down, but not that fast."

"Yes, definitely. The changes in government policy are very demoralising. We have been working on community energy for the last 2 years and it feels as if the rug has been pulled from beneath us. We know that many projects have decided to pull out and will cease to exist as a result of the government's attitude to renewable energy. There are so many examples of how the government have withdrawn their support for renewable energy, it is inevitable that confidence will wane."

"All our volunteer directors are very demotivated. We would walk away from the project if we did not feel a duty to the members of the Society and if we were not so close to planning consent."

"We already ask an enormous amount from our volunteers in terms of time and physical labour. It is very hard to see how people can be motivated in the face of such an uphill and possibly pointless struggle."

"We don't see any future for community renewable energy after the pre-registered sites have been installed."

"Planning & bringing to fruition a community energy project is already a huge & complicated undertaking for volunteers, and I have no doubt that the motivation of our group will be negatively affected, as will that of local businesses & residents who are presently preparing plans."

"The grass-roots groups we work with were previously de-motivated by the 2012 FIT review. This will add to that de-motivation and is unhelpful."

"Gutted and confused"

"Hard to remain enthusiastic"

“Members considering the purpose of our group if project is no longer viable. We risk losing members and restricting our ambitions to public outreach / sustainability messaging.”

“Without a clear path to finance a project it will be hard to motivate people to work on them”

“It got people angry and bemused about the stated ambitions of our own MP to be claiming to run the greenest government every. We will seek a meeting with him soon to reflect back what people here feel.”

“Significantly demotivated already.”

“It is incredibly hard work to get a community-owned renewable energy scheme off the ground, often relying on the incredible commitment of volunteer board of directors, and pro bono support from professionals - a vast amount of good will. The rewards of doing so are incredible - an engaged community who support renewable energy. The recent raft of policy announcements from this government that take support away from renewables only serves to make it harder than it already is of individuals committing their own time, and individuals investing their own money, to make these things possible.”

“Our vision, drive and commitment to create a whole series of community energy projects across Cumbria has all been drawn into focus by the new proposals. Already there is concern that we don't waste any more time on projects that Government policy may render obsolete.”

“It has demoralised us and made everything seem so much tougher. There have been gradual negative developments from this government that have perturbed us but nothing this distressing. But we won't stop - some how we will find a way to make it work. But having the FITs makes it so much easier!”

“Very demoralising! The lack of government support and its growing hostility towards low carbon initiatives, along with the constant changes in policy, make it difficult to see any positive results from time and effort spent in this area. People have plenty of choice for their time and money, and will spend it more fruitfully in other areas.”

“Motivation will evaporate, although some may see it as a challenge to figure out ways to fund projects post FIT.”

“We are pessimistic about being able to do any new projects.”

“They will feel the government is in the thrall of the big oil companies and not on their side. They cannot see the logic of cutting support for all the vital new technologies we need to cut fossil fuel emissions and combat climate change.”

“Throughout the last parliament and as recently as April 2015, government has continued to express support for the Climate Change Act, for example the pre-election pledge by David Cameron “to accelerate the transition to a competitive, energy-efficient low-carbon economy”. Recent policy announcements indicate this is an empty pledge. Volunteers working towards a renewable energy future now feel that they are working on their own, with no support from either central government or cash-strapped local authorities.”

“After all we have done and planned, it just seems a waste of time - very disappointing.”

7 Conclusions

This survey of 80 community energy organisations has showed that the proposed changes to FITs, combined with other recent announcements affecting renewable energy, is expected to seriously damage the community energy sector, to the point at which all the momentum built up over the last few years is likely to be lost.

Community energy delivers benefits way beyond the generation of renewable energy, but even in simple economic terms, can be shown to deliver a very good return on investment for public money by generating revenue to the economies local to the projects and through providing a wealth of other community services. Community energy groups draw in a wide range of professional expertise, generally on a voluntary basis, and share expertise with other groups and their local community. This community involvement is far more cost-effective than any national campaign to promote sustainable living or carbon reduction, and coming from a trusted and known source, it is far more likely to produce results.

Community energy organisations across the country could continue to deliver all of these benefits if the vital support mechanisms (FITs and pre-registration/pre-accreditation) remain or are re-instated, at least until all project costs fall sufficiently for the size of schemes that community organisations typically develop. It is hugely important that public and investor confidence in this valuable sector is not damaged now to the extent that no future community energy projects are delivered.

A. Appendix 1: Survey Respondents

Amber & Derwent Valley Community Energy (ADVyCE) Limited

Avalon Community Energy Ltd

Barcombe Energy

Bath & West Community Energy

Bee Sustainable TA Bury Community Hydro

Bioenergy Technology Limited

Brampton and Beyond Energy Ltd

Brendon Energy

Brighton Energy Ltd

Bristol Energy Cooperative

Calderdale Community Energy

Community Energy Cumbria

Community Energy Warwickshire

Community Power Cornwall

Dorset Community Energy Limited

Drumlin Wind Energy Co-op

East Kent Against Fracking

Eastbourne Community Energy

Eastry Energy

Esk Energy (Yorkshire) Limited

Exeter Community Energy

Four Winds Energy Co-operative Ltd

Fraserburgh Development Trust

Furzedown Low Carbon Zone

Glasgow City Council

Goring and Streatley Community Energy Ltd

Gosport & Fareham Friends of the Earth

Grand Union Community Energy Ltd.

Greater Grimsby Community Power CIC

Greater Manchester Community Renewables

Group set up with members from Hexham Community Partnership and Transition Tynedale

Gwent Energy CIC

Halton Lune Hydro Ltd.

Hapsford Hydro

Harborough Energy Limited

Heartland Community Wind

Herefordshire New Leaf Cooperative Ltd

HKD Energy

Kelsale cum Carlton Community Energy Limited

Liverpool Community Renewables Limited

London Borough of Lambeth

London Sustainability Exchange

Low Carbon Chilterns Cooperative Ltd

Lymm Community Energy Ltd

Marshfield Energy Project

Mendip Power Group

MORE Renewables

Nadder Community Energy

Oldham Community Power

Ovesco

Pennine Community Power

Plymouth Energy Community (PEC) / PEC Renewables (PEC R)

Power Up North London Limited

Public Power Solutions (PPS)

REPOWERBalcombe

Repowering Ltd

Robert Owen Community Bank

Sheffield Renewables Ltd

SidEnergy Limited

South Brent Community Energy Society Limited

South East London Community Energy

South Hill Association for Renewable Energy
Southern Staffordshire Community Energy
St John's Sunshine
Suncredit UK
Sunderland Black and Minority Ethnic Network Limited
Sustainability Connections CIC
Sustainable Charlbury CIC
Sustainable Energy (SE) 24
Sustainable Kirtlington
Tamar Energy Community
Teddington & Ham Hydro Cooperative Ltd
The Resilience Centre & Resilient Energy CommBens
Transition Constantine
Transition Eynsham Area (greenTEA)
Two Valleys Community Energy
West Solent Solar Cooperative
Westmill Solar Co-operative
Wey Valley Solar Schools Energy Co-op
Wiltshire Wildlife Community Energy
Wirral Community Renewables
Yorkshire Energy Partnership CIC

B. Appendix 2: Survey Questions

Your Organisation

- 1 Organisation name
- 2 Website
- 3 Location (nearest town or postcode)
- 4 Region
- 5 Constituency (if known)
- 6 Contact Person
- 7 Email
- 8 Phone number
- 9 How many members do you have?
- 10 What stage is your organisation at?

Your EXISTING Projects

- 11 Number of Systems
- 12 Total Capacity (kW)
- 13 Total Generation to Date (kWh) - sum of all systems
- 14 FITs income to date (including any owed but not received) - whole £
- 15 How long did your project take to develop?
- 16 Year first started generating
- 17 Location of your installations: postcode or nearest town, constituency if known
- 18 How much investment capital have you raised in total (£)?
- 19 Support mechanisms used

- Have you partnered with other organisations to develop or fund your systems (e.g. local authority, housing association, charity, sustainability organisation, private developer, installer)?
- 20

Community & Local Benefit from EXISTING Schemes

- 21 Type of organisation linked to your schemes (tick all that apply)
- 22 Does your scheme supply energy at reduced cost to another organisation?
- 23 Does the host organisation share in the profits of your organisation?
- 24 How important is/are your scheme(s) to their host organisations?
- 25 Number of voluntary directors
- 26 Number of volunteers who meet regularly

- 27 Volunteer hours spent so far (best estimate)
- 28 Number of paid staff (FTE)
- 29 Professional skills / expertise you can draw on from your directors and volunteers
- 30 Estimated % of your investment that has been spent with local, national or foreign businesses (use your own definition of "local")
- 31 Number of local contractors used
- 32 Estimated annual value of your ongoing contracts with local or national businesses (e.g. maintenance, administrative support, accounting, media)
- 33 What public engagement and/or educational activities did you carry out at or prior to launch of your scheme?
- 34 What ongoing public engagement activities do you carry out?
- 35 Do you have any evidence of the impact of your wider engagement activities (e.g. behaviour change, take up of low carbon measures)?
- 36 Do you have, or are planning, a community benefit fund? Or other mechanism to provide cash value to community activities (e.g. lower bills)?
- 37 What type of activities do you fund / plan to fund?
- 38 What has been the impact of this funding so far? (Any specific/quatable examples?)
- 39 What do you think the future impact of your community fund will be?
- 40 Does this funding support the work of other organisations that would be adversely affected if it weren't available? Please explain if this is critical funding for other organisations.
- 41 Does this funding provide any other recognised value to your community (e.g. supporting wider participation, awareness, education)
- 42 Do your activities specifically benefit any of the following groups
- 43 Do you think that your organisation has done anything innovative?
- 44 Have you won any awards?
- 45 Has your project provided or enabled any other environmental benefits (e.g. wildlife/habitat improvements, tree planting, fish monitoring data etc)?
- 46 We assume that, for existing schemes, the benefits covered in this section will still be secure if the FITs changes are enacted. Let us know if you think this is not the case.

Projects in DEVELOPMENT

- 47 Number of Systems in Development
- 48 Total Capacity (kW)
- 49 Planned generation date (prior to FITs/RO policy announcements)
- 50 How long have you spent developing your project(s)?
- 51 Location of your planned installations: postcode or nearest town, constituency if known
- 52 How much investment capital do/did you plan to raise (£)?

- 53 Support mechanisms you expected(ed) to use
- 54 Have you partnered with other organisations to develop or fund your systems?
- 55 Are these projects at risk from the FITs review?
- Please give more details about any projects that may not go ahead or will be adversely affected by the FITs changes proposed.
- 56

Community & Local Benefit from DEVELOPING Schemes

- 57 Type of organisation linked to your development projects (tick all that apply)
- 58 Would your scheme(s) supply energy at reduced cost to another organisation?
- 59 Would the host organisation share in the profits of your organisation?
- 60 How important would your scheme(s) be to their host organisations?
- 61 Number of voluntary directors
- 62 Number of volunteers who meet regularly
- 63 Voluntary hours spent so far (best estimate as you may not have measured this)
- 64 Number of paid staff (FTE)
- 65 Professional skills / expertise you can draw on from your directors and volunteers
- Estimated % of your investment that would be spent with local, national or foreign businesses (use your own definition of "local")
- 66
- 67 Number of local contractors used
- Estimated annual value of your ongoing contracts with local or national businesses related to projects in development (e.g. maintenance, administrative support, accounting, media)
- 68
- What public engagement and/or educational activities do you plan to carry out in relation to this project?
- 69
- 70 Do you carry out any other ongoing public engagement activities?
- Do you have any evidence of the impact of your wider engagement activities (e.g. behaviour change, take up of low carbon measures)?
- 71
- Do you have, or are planning, a community benefit fund related to projects in development? Or other mechanism to provide cash value to community activities (e.g. lower bills)?
- 72
- 73 What type of activities do you plan to fund?
- 74 What do you think the future impact of your community fund will be?
- Would this funding support the work of other organisations that would be adversely affected if it weren't available? Please explain if this is critical funding for other organisations.
- 75
- Would this funding provide any other recognised value to your community (e.g. supporting wider participation, awareness, education)
- 76
- 77 Would your projects in development specifically benefit any of the following

- 78 Do you think there is anything innovative about your developing projects?
 Would your project provide or enable any other environmental benefits (e.g. wildlife/habitat improvements, tree planting, fish monitoring data etc)?
- 79

Your AMBITIONS

- Describe the scale of your ambitions e.g. MW installed, renewable technologies, other investments (e.g. energy efficiency) number of schemes, jobs created, organisation turnover, number of members.
- 80
- 81 Location of your likely developments if known: area or nearest town, constituency
- 82 How much investment capital do you expect to need to meet these ambitions (£)?
- 83 Support mechanisms you expected(ed) to use
- Are you now considering alternative mechanisms to ensure your ambitions can be realised? If so, please give details. How realistic do you think these are?
- 84
- 85 Are these ambitions at risk from the FITs review?
- 86 Will the FITs changes affect your community activities?
- 87 Will the FITs changes affect your support for local or national businesses?

Your MOTIVATION and Community Response to Renewable Energy

- Will the recent policy announcements affect the motivation of volunteers in your organisation to continue working in community energy ?
- 88
- Will the recent policy announcements affect the motivation of volunteers in your organisation to volunteer in other community activities ?
- 89
- Do you think the recent policy announcements are affecting the trust in or willingness to invest in renewable energy among members of the public ?
- 90

Consultation Response and Publicity

- Are you happy to be identified as an example in the Community Energy England consultation response?
- 91
- Are you happy to be identified in information shared with other organisations campaigning on this issue e.g. Greenpeace, Friends of the Earth, 10:10 ?
- 92
- Would you be willing to be used as a detailed case study to support the evidence / used in national publicity?
- 93
- Is there anything else you would like to tell us about why community energy is important in your area?
- 94
- 95 Are you planning to contact your MP about these policy changes?
- 96 Are you planning to submit a response to the FITs consultation?