



Community Energy England

Annual Report 2017

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Who we are

Community Energy England (CEE) is the trading name of Community Energy Association (England) Ltd. CEE is registered as a private company limited by guarantee without share capital. Its articles and by-laws can be accessed on the CEE website. CEE is governed by a board elected at our Annual General Meeting and is managed by the Chief Executive and her team. During the 2017 financial year the CEE Board consisted of Afsheen Rashid (Chairperson), Peter Capener MBE, Alex Germanis (resigned 24 June 2017), Rachel Hayes MBE, Mark Kenber, Paul Monaghan, Dan Nicholls (independent board advisor), Ollie Pendered, Robert Rabinowitz (resigned 24 June 2017), Chris Rowland (resigned 24 June 2017), Giovanna Speciale, Kathy Smyth MBE, Deborah Trebilco and Philip Wolfe (resigned 24 June 2017). Emma Bridge acted as Company Secretary.

Registered address is The Workstation, 15 Paternoster Row, Sheffield, S1 2X.

Registered number is 09042561.

CEE is a not for profit membership organisation, set up by the sector, for the sector, that represents and supports those committed to the community energy movement. We work throughout England to help create the conditions within which community energy can flourish. We are a growing network of 210+ organisations who are active in the energy transition. Our members produce renewable energy, perform energy efficiency, operate distribution networks, perform retrofit work, lead behaviour change, engage in energy sharing, and provide electric car-sharing. We also collaborate with community energy networks in Scotland, Wales and Northern Ireland, as well as regional bodies, in order to develop a coherent and co-ordinated voice to influence UK energy policy.

Our Vision

Putting people at the heart of the energy system.

Our Mission

To support and accelerate the transition to a fair, low carbon and community-led energy system.

Objectives

- Helping the establishment of community energy initiatives inter alia by providing access to the expertise of established community energy organisations and others
- Creating new opportunities for community renewable energy and energy efficiency projects by working with both commercial and public sectors to develop successful delivery partnerships
- Providing a voice for community energy organisations in making inputs to policy and regulation, working in collaboration with others and independently
- Disseminating the achievements of the sector, providing best practice materials and providing a forum for community energy enterprises to collaborate, become more professional, and achieve continuous improvement
- Providing a network within which community energy organisations can maximise their outreach when seeking membership, funding and other inputs for their project.

Chairperson's Report



I have now been in post as Chairperson of CEE for nearly two years and am pleased to share our first annual report in which we highlight our mission, impact and activities over the last twelve months.

CEE has achieved significant recognition nationally and internationally as the representative voice of the sector. We continue to support and grow our 200 strong membership of community energy organisations, DNOs, and corporate bodies. Last year we launched our first State of the Sector Report, refreshed and revamped the CEE website, updated the Community Energy Hub, and celebrated the Sector at our annual awards at London's City Hall.

Much of our focus over the last twelve months has been on building relationships with partners, such as the Climate Coalition, with whom we partnered on Community Energy Fortnight 2017 and The Speak up Week of Action 2017, to raise awareness of the role community energy can play in the wider dialogue around environmental issues. The campaign was a great success and really highlighted the sector's resilience, perseverance and inclusivity.

Our challenge now is turning interest into action. Our widely-anticipated State of the Sector Report 2018 will be central to our plan to support and accelerate the scale-up of community energy in England. I am eagerly anticipating the next year with our board, exec team, and of course, our members and supporters.

Afsheen Rashid

Dr Afsheen Rashid MBE

Chairperson, CEE

Chief Executive's Report



2017 has been a challenge for the community energy sector, with policy and regulatory changes resulting in a decline in the number of community energy projects being taken forward. Much of our focus over the past year has been on working to negate these impacts wherever possible.

As an organisation, we have revisited our priorities for the coming year to ensure that we are adapting to the changing energy system and policy environment and that we are providing the needed support to our members.

Our strategic priorities for the next year will be to ensure greater clarity on the opportunities and challenges that lie ahead for community energy, increase the profile of and support for the sector and to build the capacity of our members.

The gains that community energy can bring are wide and have a wonderful impact on local areas, so the more support we have, the more we can change and better our communities.

There are still challenges ahead but there are exciting opportunities too as we move towards a more decentralised and democratic energy system. It is more important than ever that we continue to strive for people to be put at the heart of energy decisions.

I am excited to see where our perseverance will take us in the next twelve months and beyond.

Emma Bridge

Emma Bridge

Chief Executive, CEE

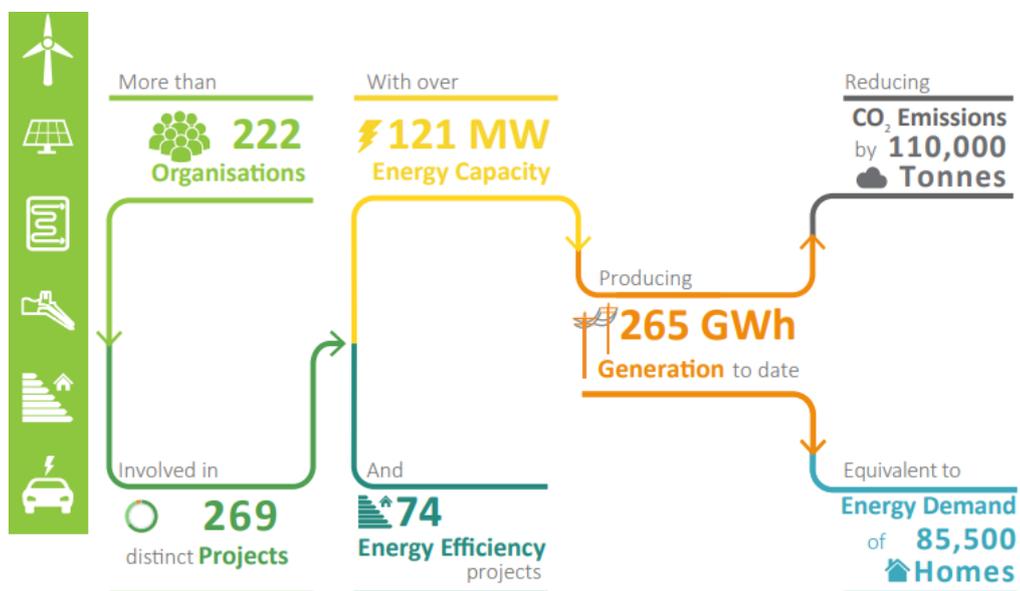
Achievements

2017 was a busy year for CEE, we launched the first State of the Sector Report, held the Community Energy Conference with our partner Co-op Energy and celebrated the achievements of the sector, with an amazing backdrop of Tower Bridge and the London skyline from City Hall.

State of the Sector Report 2017

With our partners Community Energy Wales and Scene, and with sponsorship from Northern Powergrid, we launched the first State of the Sector Report on 24 June 2017, at the annual Community Energy Conference. Data collection for the report began in late 2017, and was analysed, refined and expanded on throughout the spring on 2017. We are incredibly proud of the report and its impact, which surveyed community energy organisations across England, Wales and Northern Ireland. The report is demonstrable proof of the broad scale of achievements in the sector. Community Energy organisations raised £190 million worth of investment, most of this through community share offers, and built enough capacity to power 130,000 homes. 222 organisations were shown to operate solar, hydro and wind schemes across England, Wales and Northern Island, saving 110,000 tonnes of CO₂ emissions by generating energy from renewable sources.

The report was given national recognition in articles from a range of local, national and specialist press, including Utility Weekly, The Mirror, Business Green, Cornwall Insights and Belfast Telegraph. It has also been referenced in several other reports, including the Solar Trade Association's Leading Lights report.



It hails the impact, ingenuity and resilience of the sector. It also signals a warning; reduced government support has seriously threatened the viability of this dynamic sector. We will be releasing a follow-up report in the summer of 2018.

'Powering Together – taking control of the energy revolution' - Community Energy Conference 2017



Emma Bridge launching the first State of the Sector Report

The fifth annual Community Energy Conference was held on 24 June at the Renold Building, University of Manchester and was the launch event for the Community Energy Fortnight 2017. The event was a collaboration between Community Energy England and Co-op Energy, who generously sponsored the conference, as well as Community Energy Fortnight. The Community Energy Conference is a completely free, inclusive day of talks and discussions that solely focusses on community energy.

The launch of the first Community Energy State of the Sector report proved to be a catalyst for conversation on the day, with groups swapping stories of success as well as defeat. The opportunity to network, catch up with old friends and make new connections has always been a great strength of the Community Energy Conference and is something that CEE is very proud to be able to provide for our members and partners.

As well as some excellent breakout sessions, which discussed, amongst other topics, the storage opportunity, how to develop effective finance and securing a supportive policy environment, we heard from Chief Executive of Social Enterprises UK, Peter Holbrook. As keynote speaker, Peter was tasked with rabble-rousing, in which he succeeded to great impact. He reminded delegates that community energy is a force for good and that practitioners are pioneers in challenging mainstream economics and inequality.



The CEE team at the conference



CEE members exhibiting at the conference

The day ended with 'Beacons of Hope'. Presentations came from industry experts, who each gave their insights and reasons to be cheerful in the face of a challenging climate. Although community energy may be facing some barriers, the presentations certainly highlighted the ingenuity and sheer force of will of those driving the sector. Following on from these presentations, CEE Chairperson Afsheen Rashid chaired a 'Question Time' style panel, giving the audience an opportunity to grill the expert panel on all things policy, and the future for community energy.

With around 200 attendees, the conference was a great opportunity for delegates to network, catch up with colleagues and share success stories from the year. We would again like to thank everyone that attended, the speakers and workshop participants for making the Community Energy Conference 2017 such a special day.

Community Energy Fortnight 2017 – Powering Together in 2017



Community Energy Fortnight is an annual campaign and celebration managed by Community Energy England on behalf of the Community Energy Coalition. The Coalition was formed in 2011 and is made up of some of the UK’s most influential and trusted institutions and charities.

The aim of the Coalition is to ignite an energy revolution which places communities at its heart and strives for a clean, affordable and secure energy system for all.

The Community Energy Fortnight 2017 was made possible with the generous support of Co-op Energy, an energy supplier that puts values before profits. Co-op Energy has two passions - energy and the community, which makes them the perfect partner for the UKCEC.

2017 was the first year that the Community Energy Fortnight took place in the summer, and as with so much else in the renewable world, the sunshine helped it grow. With seventy-nine events across England, Wales, Scotland and Northern Ireland, the fortnight was a celebration of hydro, wind, solar and much more.

For the first time, in 2017 the UK Community Energy Coalition linked up with The Climate Coalition to combine forces with the Speak Up Week of Action in the first week of July. This new partnership resulted in a larger event and a louder voice.



South Dartmoor Community Energy event for CEF17

Following on from the success of Community Energy Fortnight 2017, we will again be launching Community Energy Fortnight in the summer, with the Community Energy Conference as the kick-off event for two weeks dedicated to celebrating the achievements of the community energy sector.

Community Energy Awards 2017

On Wednesday 1 November 2017, Community Energy England and Community Energy Wales hosted the annual Community Energy Awards at City Hall, London. The event was a great opportunity to celebrate the achievements of the community energy sector after a challenging year of adjusting to a new policy landscape which has seen fewer new projects, but more innovation and new ways of thinking taking place.

The nominations demonstrated how resilient, innovative and sustainable the community energy sector is despite the turbulent times the sector has seen this past year. The judges were impressed with the wide range of nominations, the commitment demonstrated by individuals and organisations and the ability of the sector to respond to change. Judges included Patrick Allcorn (BEIS), Graham Ayling (Energy Saving Trust), Chris Blake (Community Energy Wales), Leonie Cooper (MP and Deputy Chair of the Environment Committee), Alistair Macpherson (Plymouth Energy Community), Jennifer Pride (Welsh Government), Afsheen Rashid (CEE) and Nina Skorupska (REA). The judges found it hard to pass judgement on so many impressive projects, as such some awards saw nominations being highly commended for their exceptional levels of innovation and community benefit.



Leonie Cooper and Finance Award winner Leapfrog Finance

of community energy. The shortlist was put to a public online vote, which took place in the lead up to the ceremony. Photo likes on Facebook and Twitter were combined with a survey. We were astounded at the response it received, over 850 votes were cast. The winning photograph will be used as the cover for the State of the Sector Report 2018.

Thank you to our generous sponsors Energy Saving Trust, Northern Powergrid, Renewable Energy Association and Scottish & Southern Electricity Networks, who made it possible for us to hold a truly inclusive awards ceremony, as the event was free to all delegates.



Community Energy Awards 2017 Sponsors

Judges included Patrick Allcorn (BEIS), Graham Ayling (Energy Saving Trust), Chris Blake (Community Energy Wales), Leonie Cooper (MP and Deputy Chair of the Environment Committee), Alistair Macpherson (Plymouth Energy Community), Jennifer Pride (Welsh Government), Afsheen Rashid (CEE) and Nina Skorupska (REA). The judges found it hard to pass judgement on so many impressive projects, as such some awards saw nominations being highly commended for their exceptional levels of innovation and community benefit.

2017 was also the first year we included a photography award. Images were submitted that captured the essence



Westmill Turbine - the winner of the 2017 photo award

Impact and Membership

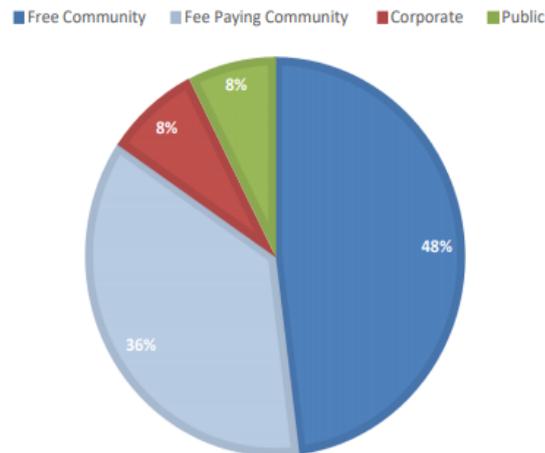
Impact

Despite being a young organisation, CEE has achieved a lot both in terms of internal development and external impact. CEE has increased its output with a core team of four members of staff, thanks to support from the Esmée Fairbairn Foundation. Our efforts and work are appreciated by our members, and there has been increasing government and media debate about local energy solutions and a recognition that much has to be done to decarbonise our energy system. This confirms that there is a pressing need for CEE to increase its reach and impact. As the only organisation solely focused on championing community energy in England, it is uniquely placed to ensure that everyone knows what role the sector can play in the energy transition.

CEE has made significant strides towards raising the profile of the community energy sector through a variety of activities and projects, some of which have been listed above. We have been working hard to disseminate the benefits of community energy through speaking at events, meetings with regulators, government officials and politicians from all parties, producing media stories, case studies, guides (e.g. Community Energy: A Local Authority Perspective), updating the Community Energy Hub web resources and ensuring that community energy is considered by wider energy and social enterprise networks and publications. CEE is also a leading member of the Community Energy Coalition - a key contributor to the Government's first ever Community Energy Strategy launched in 2014.

Our mission-led status has enabled us to work closely with communities, public, and private sector organisations, helping them to shape the policy and regulatory environment and develop new market opportunities. We engage with, amongst others, Local Authorities, Local Enterprise Partnerships (LEPs) and the Association for Public Service Excellence (APSE).

Membership



Breakdown of membership by type

Membership is the backbone of Community Energy England. CEE welcomes membership from any group or organisation that supports the development of community energy. Above you can see a breakdown of our membership groups; Community, Corporate and Public bodies.

Great at collaborating, with little bureaucracy with lots of flexibility
– CEE Member

We support a wide range of organisations, local community energy groups and public bodies in their ambitions towards a fair, decentralised energy system. As we work for the good of our members it is important for us to be aware what our members need and where we can add value. In 2017 we launched our first membership survey, which gave us some excellent insight into what CEE members want to see and where we should steer our activity. Our strategy has been directly formed from the results of this survey, so we would like to thank all our members who completed it.

Genuine community focus does a lot with limited resources, key co-ordinating role in the sector – CEE Member

In 2018 and beyond we will be working hard to tailor CEE to fit with our member needs. This will include a variety of events during the week, weekends and evenings to maximise

member ability to attend, improving our bi-monthly newsletter and continuing to create our own resources, as well as hosting third-party resources on the Community Energy Hub.

CEE Staff Case Study

CEE is a small, growing team and as part of this, in 2017 we took on our first Graduate Intern, Ginevra Papi. In her own words, Ginevra expands on her internship with CEE and how community energy fits with her own core values and beliefs.



"I was thrilled to be offered a position at CEE in October 2017 through Charityworks. I wanted to work for an organisation with values that I believe in and I got my wish fulfilled. I was new to the (community) energy

sector before CEE, and I learn something new from the Team every day. It is refreshing and inspiring to work at a place where everybody has a shared passion for democratic, decentralised and low-carbon alternatives to the current energy system.

CEE is run by a small, tight knit team; this gives everyone the chance to get involved at all stages of work and contribute to outputs, in what is a respectful and encouraging work environment. Every day is different at CEE. As a Graduate Intern, I provide research, communications, events and strategy development support for the Executive Team. I have been given responsibility from day one and involved in all aspects of running a small not-for-profit.

Having carried out market research and taken part in strategic planning, I can confidently say that CEE has come a long way in a short space of time; all thanks to the energetic and socio-environmentally minded Team behind it. It is not always easy to measure success and tangible changes, but CEE's work is well-received and greatly appreciated by its members.

CEE is a unique organisation catering for an under-researched and under-valued grassroots movement and niche market at an unsupportive policy and regulatory time, which means it truly understands the importance of co-operation, cross-sector collaboration and innovation. I have also been impressed by the expertise and gender diversity within CEE. As women are under-represented in the energy sector and in leadership positions within non-profits, it has been great to work for Emma Bridge and meet the inspiring and highly qualified women who sit on CEE's Board.

The wider energy sector is often painted in a negative light and not seen as particularly attractive to young people. Although energy generation, efficiency, storage and supply are not necessarily sexy topics, community energy is a revolutionary and expanding sector where a career can grow and progress. As a woman, an immigrant and a millennial I think I am the perfect candidate to get the message across that community energy really is exciting and values-driven.

Most people are disconnected with where their energy comes from and how it gets to them and do not generally come together to tackle energy issues. When they do, however, a multitude of charitable and sustainable development objectives can be achieved. Community energy matters and should continue to matter during the current transformation of the UK energy system. CEE has the ability, the mandate and the platform to move community energy from the marginal to the mainstream in collaboration with its strong and growing network of members to benefit real people, local places and the environment".

Strategy and Forward Thinking

With the support of the Esmée Fairbairn Foundation and Red Ochre we revisited our organisational strategic direction and priorities. We reviewed the components of our business plan to ensure that our membership association is continuing to evolve and address the constantly changing environment in which we operate. The review reaffirmed that the capabilities underpinning the existing strategic priorities of advocacy, capacity building and communications, and policy remain profoundly important.

To facilitate future delivery, we have rearticulated our strategy around a simple mission: to support and accelerate the transition to a fair, low carbon and community-led energy system. We believe in collaborative working and will continue to deliver our projects in partnership with other membership bodies, DNOs, energy companies, think tanks, campaigning organisations, universities and charities.

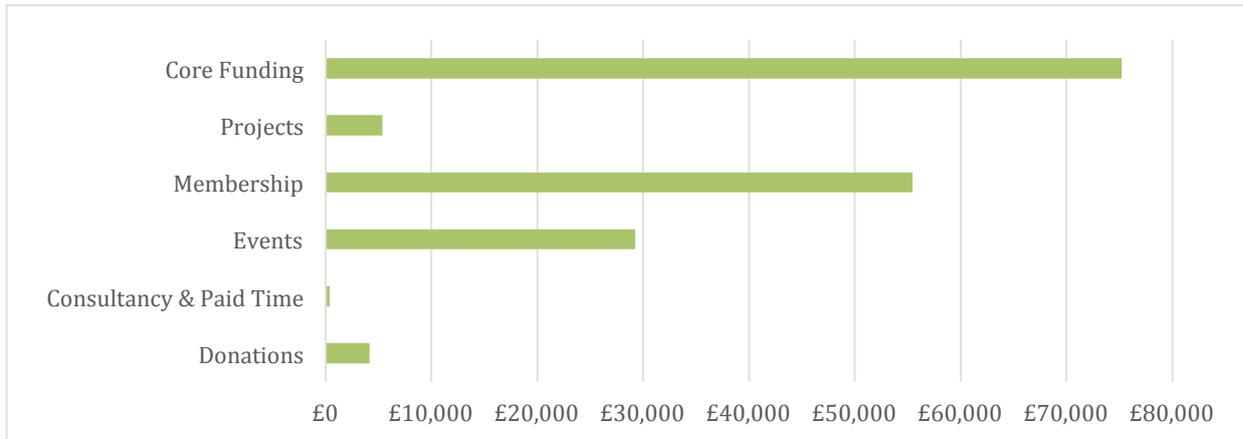
CEE passionately believes that community energy has a vital role at the heart of thriving local communities and will continue to provide a voice for community energy and help to create the conditions within which the sector can flourish. We aim to successfully position community energy solutions with policymakers at the national and regional levels, effectively raise the profile and communicate the importance, benefits and achievements of community energy through all relevant communication channels. We also aim to provide high quality support to our members and the wider sector by fostering cooperation and skills-sharing through online resources and events. We are doing this because we believe that the transition to a democratic, decentralised and low carbon energy system is critical to combat climate change, balance the energy trilemma and sustain growth for a better future.



Community energy incorporates many different activities

Financial Review

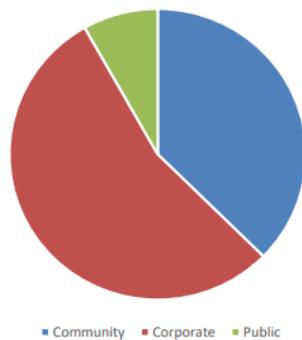
Income



Most of our income was core funding through the Esmée Fairbairn Foundation, followed by membership fees. The amount of income from membership fees was reduced in the previous year due to non-renewal of some corporate members. The main reason for non-renewal was a decrease in their activities caused by the more challenging policy and regulatory environment.

There was an increased amount of income from events and donations on the previous year.

Breakdown of membership fees by organisational type

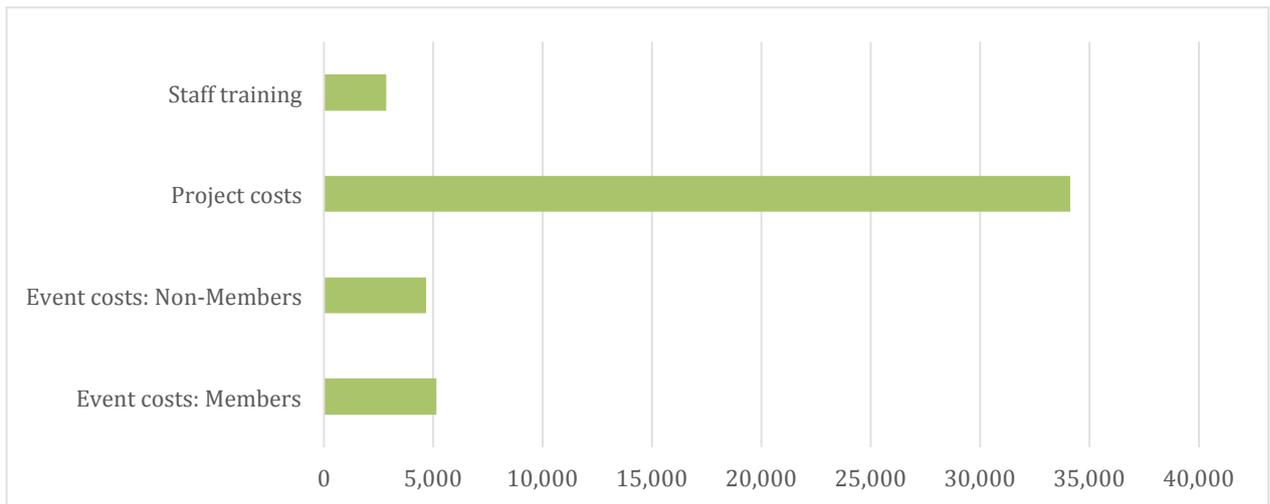


As a membership body, Community Energy England has always had the ambitious target to become self-sustaining through membership fees alone. As we are still a relatively new organisation and due to the decline in the growth of community energy projects, this goal has not yet been achieved.

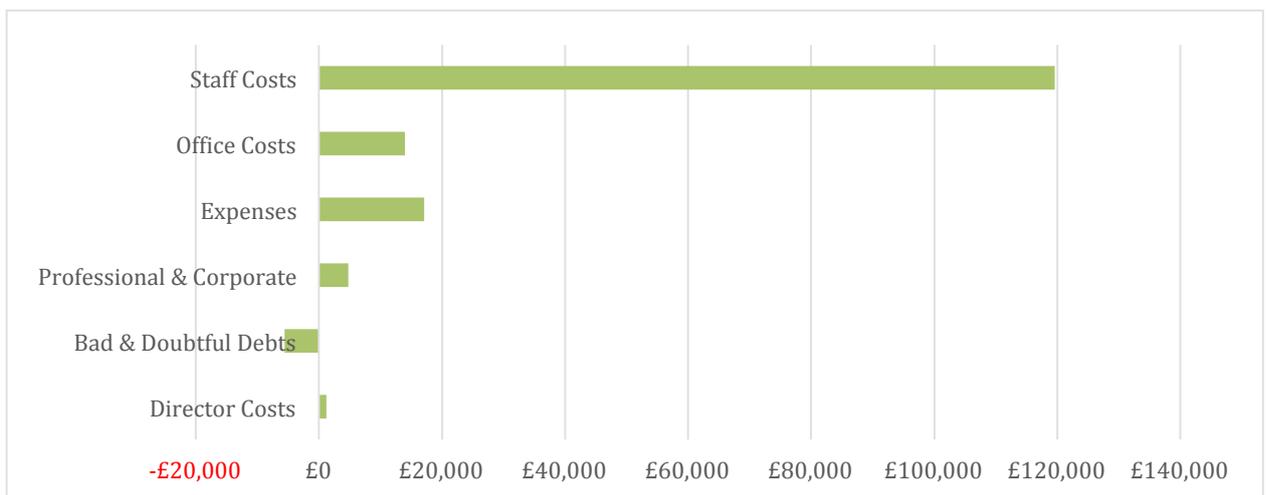
Expenditure – cost of sales

Cost of sales consisted almost entirely of project costs, which included the production of the State of the Sector Report, the Community Energy Hub and CEE websites’ hosting, and delivery support for Community Energy Fortnight.

The second main cost was the delivery of events and a small proportion was allocated to staff training.



Expenses



The most significant expense was costs for four members of staff. This was higher than the previous year due to two members of staff starting mid-way through 2016 and our graduate intern starting Autumn 2017.

Office costs also increased on the previous year due to this being the first full year of the organisation operating from a formal office. Prior to Spring 2016 the organisation had only one member of staff operating from her home address.

The second highest cost for 2017 was general expenses which mainly consisted of train travel. Bad and doubtful debts relate to membership fees unpaid or at risk.

Statement of Income and Retained Earnings 2017

COMMUNITY ENERGY ASSOCIATION (ENGLAND) LIMITED (A Company Limited by Guarantee)			
STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2017			
	Note	2017 £	2016 £
Turnover		96,060	115,246
Cost of sales		(44,002)	(22,360)
Gross profit		52,058	92,886
Administrative expenses		(143,381)	(127,785)
Other operating income	3	75,201	49,000
Operating (loss)/profit		(16,122)	14,101
Interest receivable and similar income		-	67
Interest payable and expenses		(622)	-
(Loss)/profit before tax		(16,744)	14,168
Tax on (loss)/profit		3,983	(3,317)
(Loss)/profit after tax		(12,761)	10,851
Retained earnings at the beginning of the year		14,305	3,454
(Loss)/profit for the year		(12,761)	10,851
Retained earnings at the end of the year		1,544	14,305

The notes on pages 5 to 12 form part of these financial statements.

Overview

The financial results for the year ended 31 December 2017 include a deficit. This is due to the way the core grant funding has been allocated which can lead to fluctuations year on year. As part of our strategy review, we have also revisited our business model and identified ways to diversify our income without suffering from 'mission creep' or competing with community energy organisations for funding.

Thank you

CEE was set up by the sector, for the sector. Without our members we would not exist, so we would like to thank all our members that attended our 2017 AGM, other events over the past year, supported the State of the Sector 2017 report and Community Energy Fortnight 2017.

Additional thanks go to the community organisations, corporate and public partners who have provided us with much needed funding through membership fees and sponsorship of events. We would like to especially thank our generous Principal Supporters for their additional support, without which much of our achievements in 2017 would not have been possible.

