

# ANNUAL REPORT

**FOR 2019** 



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# AN INTRODUCTION FROM **OUR CHIEF EXECUTIVE**

2019 was another year of change and growth for Community Energy England. We welcomed new Board members and said goodbye to one of our founder members, Kathy Smyth, at our AGM in June. I would like to take this opportunity to thank all of our board members, past and present for their commitment to Community Energy England and the wider community energy sector.

2019 saw a great strengthening in our partnerships with other organisations invested in the development of community energy. Through our members' activities, stakeholder relationships, and our events, member activities and stakeholder relations, community energy has become more well known in England than ever before. It has wide-levels of interest from small community groups to government officials. Although these are challenging times for community energy and the wider sector, we are proud of and appreciate our members and what we have achieved together.

Increased membership with Community Energy England over the past twelve months shows commitment to the community energy movement and the need for a just transition to net zero. We look forward to continuing to work with our members, partners and communities to achieve the transition to a fair, low carbon and

community-led energy system.

Enma Bridge.

**EMMA BRIDGE** 

**Chief Executive** 

# **WHO WE ARE**

Community Energy England is a not for profit membership organisation, set up by the sector, for the sector. We represent and support a growing network of 250+ community energy organisations and other stakeholders committed to the community energy movement, working throughout England to help create the conditions in which community energy can flourish. Our members produce renewable energy, offer energy efficiency services and advice, operate distribution networks, lead behaviour change, engage in energy sharing, operate electric car-sharing, provide a variety of services to the sector, or support the development of the sector more generally.

Community Energy England collaborates with community energy networks in Scotland, Wales and Northern Ireland, as well as regional bodies, civil society and other stakeholders, to develop a coherent and co-ordinated voice to influence UK energy policy.

Community Energy England is the operating name of Community Energy Association (England) Ltd. Community Energy England is registered as a private company limited by guarantee without share capital, which operates on a solely not for profit basis. Our articles and bye-laws can be accessed on our website.

Community Energy England is governed by a Board elected at its annual AGM and is managed by the Chief Executive and her team. The team comprises the Policy and Advocacy Manager, Operations & Projects Manager, Communications Officer, Membership & Executive Support Officer and Projects Officer. During the 2019 financial year the Community Energy England Board consisted of:

- Afsheen Rashid MBE (Chairperson)
- Mark Billsborough
- Peter Capener MBE
- Rachel Hayes BEM
- Mark Kenber
- Mark Luntley (appointed June 2019; Treasurer)
- Ollie Pendered
- Kathy Smyth MBE (resigned June 2019)
- Helen Seagrave (appointed June 2019)
- Deborah Trebilco
- Emma Bridge acted as Company Secretary.



#### **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

#### **Our Strategy**

To be an effective representative and membership body for the community energy sector

To be a leading source of information and guidance supporting new and existing community energy organisations

To be a hub connecting community energy organisations and collaborating with stakeholders and enabling collaboration with other sectors

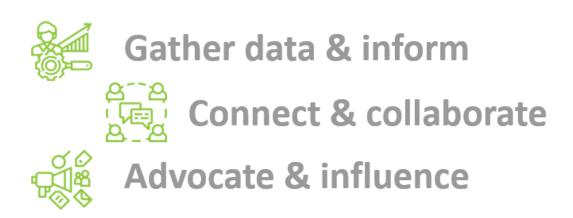
To be the authoritative voice for community energy organisations in England, working towards a more supportive policy, regulation and funding environment

# **OUR IMPACT**

Community Energy England is the only membership body working specifically for the benefit of community energy across England. We are proud to represent over 250 members and our diverse, active membership is an asset that we are immensely grateful for. It provides us with a unique voice to champion community energy and the organisations within the sector. We are dedicated to ensuring that our projects and activities benefit, support, educate and inspire our members and the broader community energy movement.

Community Energy England values its strategic partnerships with members, other trade bodies, local and national government representatives. To increase our impact, we work in partnership with other membership organisations, looking to add value to the community energy sector and to reduce duplication of effort. We use our profile to create, provoke, inspire and share communications, growing and connecting the community energy sector.

Our mission is to support and accelerate the transition to a fair, low carbon and community-led energy system. In 2019, we focused on increasing the impact of our work for our members, supporters and wider collaborators in the community energy sector. To help us achieve this, we focused our activities around three operational areas:



Subsequent sections of this report will provide more detail on our activities and impact in these areas.

We also increased our impact by bringing two new people into our team.

In May 2019, we were joined by our fifth member of staff, Policy & Advocacy Manager Duncan Law. Duncan is vital to increasing the extent and impact of our advocacy and influence work on behalf of the sector, building relationships across government, regulators, other stakeholders and the community energy sector, and engaging actively with policy making processes, to enhance our ability to represent our members and use the voice they give us.

In October 2019, we were also joined by our sixth member of staff, Projects and Operations Manager Philip Coventry. Philip has begun a programme of work to improve Community Energy England's internal procedures and overall operations and make them more robust and in line with our mission and strategy, so that we can deliver the greatest impact to our members while remaining efficient and sustainable.

# **GATHER DATA AND INFORM**

Community Energy England produces reports, case studies, toolkits and guides for the sector, and shares a range of resources through the Community Energy Hub. At the end of 2019, we began the process of redeveloping the Community Energy Hub and gathering existing and new resources into a new 'How To' section on the Community Energy England website; this is a key project for 2020.

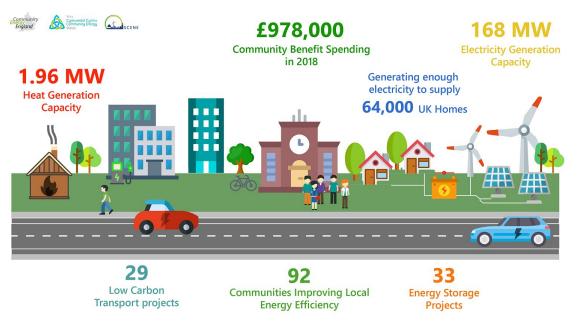
We also represent the sector at a wide variety of external events and meetings, and engage in data and information sharing with universities, small community groups, local authorities and any other body with an interest in community energy.

#### State of the Sector Report 2019

Community Energy England's flagship publication is our annual State of the Sector Report. The report is based on the most comprehensive data set on community energy in England and Wales, which in 2019 was gathered in partnership with Community Energy Wales and Scene, with support from SP Energy Networks.

Key findings from the report were:

- 2018 was a challenging year for community energy, with the sector negatively impacted by recent reductions in subsidy support and unclear government strategy
- In response to policy changes, many community energy organisations are moving away from energy generation and towards energy efficiency and wider low carbon projects to ensure continued impact in the short term
- Community energy continues to demonstrate resilience and determination; in response to increasing challenges, communities are developing new business models and exploring new technologies to increase their impact in the medium term
- Community energy organisations need clear guidance and support. Communities must be supported to access new opportunities and innovations to ensure long-term growth.



The State of the Sector Report 2019 was mentioned widely after publication, including in media outlets such as Environment Journal, Solar Power Portal and Energy Voice, and has been utilised by a wide range of our members and other stakeholders to highlight the value of the sector. The State of the Sector Report is a vital piece of work for the sector and we would like to thank all organisations who took the time to complete the survey; your input is greatly appreciated.

#### **Social Impact Tool**

In 2019, Community Energy England worked with Leapfrog, South East London Community Energy and RINA to develop a tool for the exclusive use of community energy practitioners, after new ways to measure and articulate benefits was identified as an important need by the sector itself and recognised by Community Energy England.

The Social Impact Tool was created as a simple, accessible method for community energy practitioners to measure the social impact of their organisations and work. The tool is free to use and data from responses can be used by individual organisations to highlight their own benefits, and by Community Energy England to inform our advocacy & influence work, events and strategic direction.

#### Life After FiTs, 8 April 2019

We hosted an event with Co-op Energy and Leapfrog, bringing the sector together to discuss the way forward for community energy after the closure of the Feed in Tariff (FiT). A panel of industry experts offered attendees insight into new business models and shared their views on how the sector can move forwards and grow. We heard from some of the most senior practitioners in the sector, who shared their stories, plans and findings. The overarching theme of the day was found to be that partnerships will be key to the sector's future.



As the membership body for community energy organisations in England, Community Energy England provides practitioners the opportunity to engage and share plans through events such as this one, and our events always offer members and stakeholders extensive and valuable opportunities to connect and network.

# 'Catalysing People-Powered Energy in Yorkshire and the Humber' Report Launch, 7 December 2019

Community Energy England and the Centre for Regional Economic & Social Research at Sheffield Hallam University launched a report to gauge the opportunities and challenges for the community energy sector in Yorkshire and the Humber, and the value of improved regional coordination. The launch event gathered 25 diverse practitioners and representatives from local authorities, funders, service providers from around the region to learn about the report's findings, generate new insight and connect with each other.

The research identified significant achievements by nine community energy projects across Yorkshire and the Humber, and pockets of technical expertise that have been developed over a number of years. It was, however, noted in the report that there are significant barriers to progress for community energy in the Yorkshire and Humber region. Some key calls for action from the report were:

- Community energy should be integrated into planning systems and supported by Local Plans
- Local authorities should map opportunities for community energy in new housing developments and community buildings
- Business rate relief should be introduced for community energy investment
- A recyclable loan fund should be established to invest in community energy projects in the region.

# ADVOCATE AND INFLUENCE

In 2019, Community Energy England increased our emphasis on strategic advocacy and influence work. Building relationships with national and local government, regulators and energy network organisations, we sought to increase policy makers' understanding of community energy and influence policy for the benefit of the sector. With the addition of our Policy & Advocacy Manager Duncan Law, Community Energy England was able to commit more of its resources than ever before to ensuring that the benefits and needs of community energy are recognised and included in policy processes:

- We asked more parliamentary questions on support for community energy
- We coordinated a lobbying call for the reinstatement of tax relief as part of Community Energy Fortnight, which gained media interest
- We had successful meetings with key officials from the Department of Business, Energy & Industrial Strategy (BEIS), Ofgem and the Energy Networks Association (ENA) to garner support for the movement
- We were successful in getting community energy included in the manifesto pledges of Labour, Liberal Democrats, Green Party and Co-operative Party, and after the general election launched a campaign to make community energy a government priority, including an open letter to the Prime Minister
- We also strengthened our connections with other stakeholders, facilitating cooperation with renewable energy trade bodies and non-governmental organisations to increase our collective influence.

As always, the views and experiences of Community Energy England members were central to shaping and giving authority to our advocacy and policy work. Members are offered the opportunity to feed into the prioritisation and content of our policy consultation responses and we champion our members' needs and activities throughout our advocacy and influence work.

#### **Activity Timeline 2019**

To help provide an indication of the direct advocacy and influence work of Community Energy England through responses to policy consultations from government, regulators and the energy industry, briefing members, and seeking to influence political parties, we have set out a timeline of this activity in 2019. Many of the responses were created in collaboration with other national or regional community energy networks and all publicly available responses can be found on our Policy page <a href="here">here</a>. The timeline does not capture the numerous meetings, working groups, talks and other activities within our advocacy and influence work.

#### **FEBRUARY 2019**

OFGEM consultation 'Targeted charging review: minded to decision and draft impact assessment'

#### **JANUARY 2019**

Smart Export Guarantee Briefing

Doubling the size of the co-operative sector - a call for evidence by the Co-operative Party

#### **MARCH 2019**

**Smart Export Guarantee Briefing** 

The Future for Small-Scale Low Carbon Generation: A consultation on a Smart Export Guarantee

#### **MAY 2019**

Energy Networks Association Open Networks
Programme: Consultation on future worlds impact
assessment

HM Revenue & Customs: Open Consultation on Draft Legislation: VAT (Reduced Rate) (Energy Saving Materials) Order 2019

Energy Efficiency Scheme for Small and Medium-Sized Businesses: Call for evidence by BEIS and HM Treasury

**Member Policy Briefing** 

#### **JUNE 2019**

Community Energy Fortnight 2019 - Draft letter to MPs for members to use as part of CEF19

**Member Briefing: Smart Export Guarantee Outcome** 

**Member Briefing: Social Investment Tax Relief** 

#### **JULY 2019**

Social Investment Tax Relief Call for Evidence

Decarbonisation of the UK Economy and Green Finance Inquiry

#### **AUGUST 2019**

Energy Company Obligation (ECO3) Improving Customer Protection - BEIS consultation

OFGEM: Customer Vulnerability Strategy consultation

#### **SEPTEMBER 2019**

**BEIS Fuel Poverty Strategy for England** 

BEIS/OFGEM consultation: Reforming the Industry Codes

#### Community Energy 2030 Vision

In the autumn of 2019, Community Energy England held two workshops with community energy practitioners and opened up a consultation for members and stakeholders as the first stage in creating a vision of what the community energy sector can achieve by 2030. Our vision for community energy will launch in summer 2020 and will help community energy organisations explain what community energy is and demonstrate to stakeholders:

A definition of community energy and explanation of its unique characteristics and wide ranging benefits



A vision for community energy and its potential, with targets and opportunities for 2030



The value of community energy and why it should be an important part of our future energy system and a just transition

#### Community Energy Awards 2019, 18 October 2019

The Community Energy Awards took place in October 2019 at a ceremony in London's City Hall. Over 120 people joined us in celebrating the successes of the past year. The ceremony was led by Chair of the London Environment Committee, Leonie Cooper, and throughout the evening we heard insights from judges, sponsors, former winners and the Mayor of London Sadiq Khan via video link.

Ten awards were presented as representatives from community energy organisations and their supporters celebrated the innovation, expertise and passion shown by the sector, united in their aim to create an energy system that is cleaner, greener and for the benefit of people over profit. We also heard from our fantastic keynote speaker, Andrew Simms from the Rapid Transition Alliance, who gave an impassioned presentation on the need for rapid transition and the barriers that have prevented change at scale.

We are incredibly proud of all the nominees and winners of Community Energy Awards and would like to thank everyone who made nominations and those that joined us on the evening. We would especially like to congratulate, Nick Rouse, winner of our Community Energy Champion 2019 Award, for his longstanding service to the sector.

The Community Energy Awards has become a highlight in the calendar of the sector, giving practitioners an opportunity to celebrate and network. We are proud to host an inclusive ceremony which remains free to attend and we are grateful to our sponsors Power to Change and PowerPaired, without whom the 2019 Awards would not have been possible. The Awards also enable us to gather information about innovation and success within the sector, which contributes to our other broader advocacy and influence work. Read more about the winners here.









# **CONNECT AND COLLABORATE**

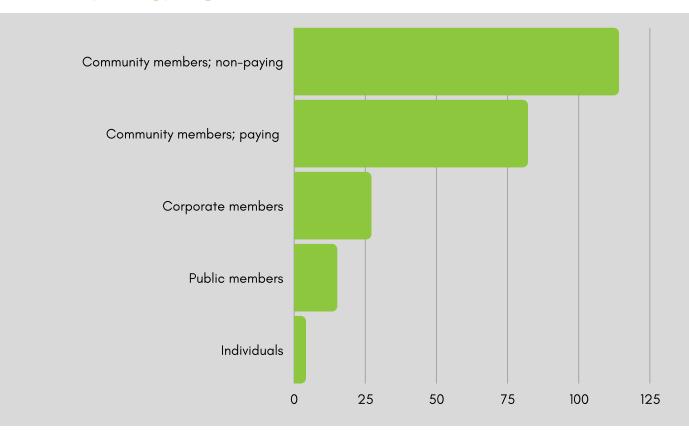
Community Energy England is committed to raising the profile and understanding of community energy and to the promotion of its members' work, and disseminating the achievements of the sector through media, think tanks and other channels. Community Energy England uses social media, management of the national campaign Community Energy Fortnight and direct communications with members and networks to connect the movement.

Community Energy England values working in partnership and in 2019 we engaged with a wide variety of stakeholders both across the UK and abroad. This included supporting regional networks and umbrella organisations. Community Energy England fosters collaborative working within the sector, encouraging skills sharing and partnerships through our events and online Community Member Practitioner Forum.

#### Membership

Membership is key to Community Energy England, it is the cornerstone of all our work and the reason we were formed by community energy practitioners. In 2019, Community Energy England's membership grew to a base of 237 members. Membership grew steadily despite the slow of growth in the sector, as highlighted in the State of the Sector Report 2019. Community Energy England's membership is split into five categories, as detailed below.

#### Community Energy England member breakdown



Community Energy England welcomes membership from any organisation that supports the development an operation of community energy in England. In engaging with Community Energy England through membership and financial support, our members help us to continue our work and give strength to our advocacy activities by increasing the strength of our voice. Community Energy England provides linkages between a network of practitioners with varying experiences and expertise. By bringing them together, we are working to help community energy thrive, despite government set backs.

As part of our ongoing efforts to connect with our membership base, in 2019 we sent out our annual member feedback form. Below are some of our members' insights as to why they value membership of Community Energy England:

A voice to government policymakers anad a view of the big picture.

The joy of being part of something more than we are individually

A very able policy advocate and a lot of work that brings our sector together We are invited to events, connection with the network, CEE helps situate our organisation in national context

Connection to the wider movement

Profile, credibility, solidarity with a wider movement, profile with policy makers and funders

The hive effect and your ability to represent us - we are weak alone

Feedback from Community Energy England members feeds directly into our planning. This has included shaping our event topics, spreading events throughout the year to make them more accessible and keeping them free to attend. This accessibility is vital in encouraging growth in the sector and helps to encourage and support new entrants in the movement, which may be key in succession planning for many organisations. Connecting practitioners is an essential element in the growth and health of the community energy movement, and Community Energy England's events act as a perfect opportunity for members to expand their networks.

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Cordifi

Southampton

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In addition, Community Energy England focuses much of its efforts in ensuring that members are represented effectively in national and local discussions. Community Energy England's directors sit on some of the key strategic working groups concerning community energy, such as the Local Energy Contact Group and the Open Networks Advisory Group.

Community Energy England's board is made up of experts from the movement, most of whom lead or are involved in member organisations. Our directors work to ensure that community energy is discussed on national, regional and local levels across the country.

Community Energy England works to build understanding between our member types to help create the conditions in which the sector can flourish, and as such, most experienced organisations in the sector are members of Community Energy England's network.

#### Community Energy Conference, 22 June 2019

The annual community energy conference is the flagship event for Community Energy Fortnight and is the largest annual meeting of community energy practitioners in England. Hosted in partnership with Co-op Energy and Sheffield Hallam University in 2019, the conference was a user-led day of interactive sessions and networking for both seasoned practitioners and new entrants to the sector. The day saw insightful sessions including 'Re-Imagining Community Energy' from our Chief Executive and Projects Officer, 'First Steps for New Activists' with Energy4All and Sharenergy, and 'Community Warming' with Durham University and RINA.









#### **CEE Community Member Practitioner Forum**

In 2019, Community Energy England launched a Community Member Practitioner Forum using the Loomio web platform. The forum is a member-led tool that gives our members the opportunity to share ideas, case studies and collaborate for the benefit of community energy in England. The Practitioner Forum has over 85 active participants, all of whom are community members of Community Energy England.

Some of the most popular topic threads in 2019 were:

- Seeking examples of working with landlords and tenants
- Experience of installing electric vehicle charging points
- Updates on business rates
- Withdrawal of small wind turbine insurance.

The forum provides opportunities for community members to connect wherever they are in the country, which can have great impact given the diverse experiences, needs and expertise of our membership body.

#### Community Energy Fortnight, 22 June - 7 July 2019

Sponsored by Co-op Energy, the sixth annual Community Energy Fortnight provided inspirational examples of the ways that community energy organisations engage with and benefit their communities. The theme of Community Energy Fortnight 2019 was *People Powered Futures*, emphasising the importance of the passionate volunteers who are the backbone of the movement.

Community Energy Fortnight 2019 saw 56 events take place across the country and more online discussion than ever before. The Fortnight celebrated and connected community energy organisations who empower people to combat climate change and lead the way to a decentralised and democratised energy system.

The Fortnight website hosted some interesting blogs from those with a wealth of experience and passion for the sector, including:

- Nigel Cornwall, who introduced the Smarter Norwich project and explained why he saw silver linings for the community energy sector
- Matthew Rooney, who discussed how important smart technologies will be for the future of the sector
- Our Policy & Advocacy Manager, Duncan Law, who gave us insight into the potential of the sector.



Community Energy Fortnight 2019 also highlighted how partners and stakeholders work to benefit the community energy sector, demonstrating the importance of cross partner collaboration to the success of #PeoplePoweredFutures. The Fortnight saw the launches of the second round of the London Community Energy Fund, Power to Change's Next Generation Fund and UK Power Networks' Power Partners Fund.

The Fortnight also hosted some fantastic grass roots events, giving local communities the opportunity to connect with and learn from their local projects. From open days at hydro projects, local meetings to engage with communities and events to celebrate achievements, Community Energy Fortnight 2019 was a great opportunity to demonstrate the inclusivity and resilience of the community energy sector.

The Fortnight also served as a rallying point in a difficult time for the sector, acting as a reminder of all the achievements of the sector, as well as all of its potential and ambition. Community Energy England will continue to advocate for change to government policy and use Community Energy Fortnight to highlight the benefits of the community energy movement.



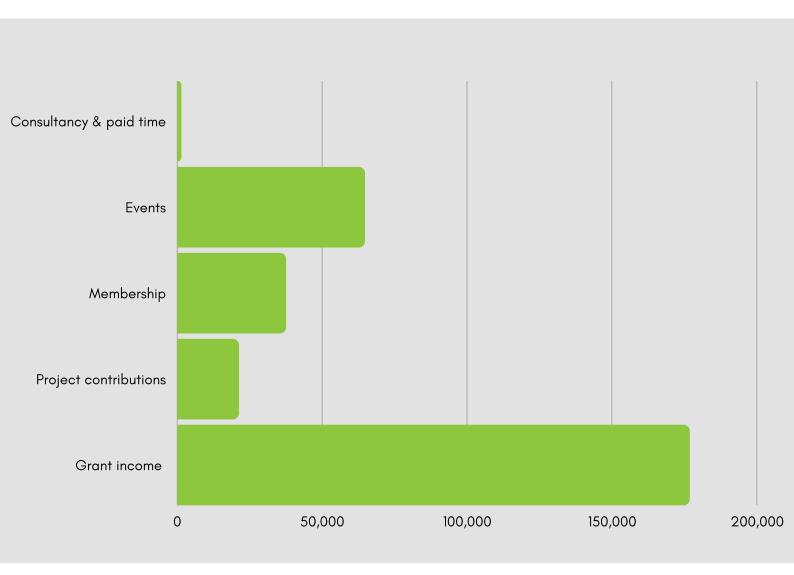
## FINANCIAL OVERVIEW

#### **INCOME**

Community Energy England operates on a purely not-for-profit basis, channeling all of our income back into the work we do for our members and the broader sector. Much of Community Energy England's income in 2019 came from grant funding, followed by events income and then membership income.

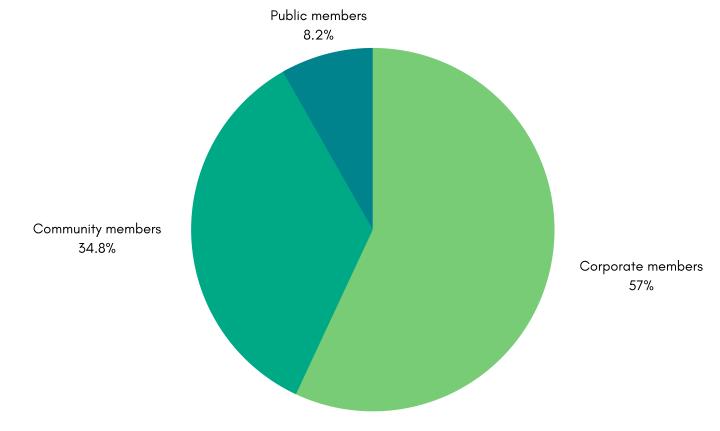
As a membership body working for the good of the community energy sector, Community Energy England only seeks grant funding opportunities that will not put us in competition with our members and at all times uses funding for the benefit of members.

We are very grateful to the funding organisations who recognise and support the work we do and the value of the community energy sector, as well as to other organisations who have supported us financially.

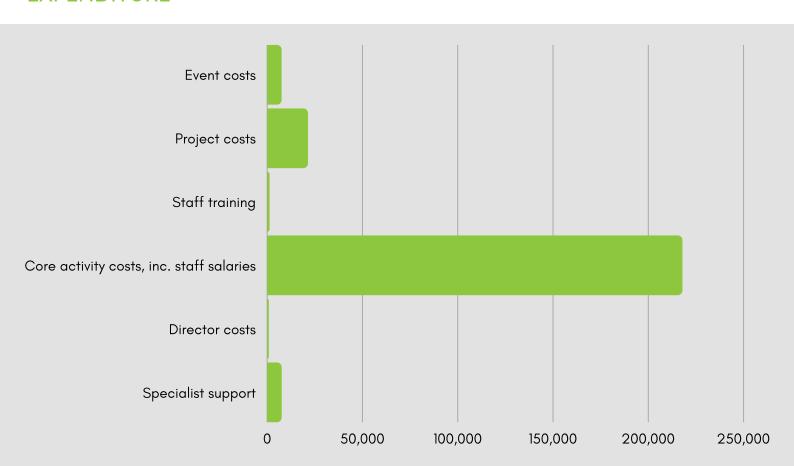


#### CEE member income breakdown

Community Energy England represents bodies at all stages of development and our fee structures reflect this. We recognise that membership of Community Energy England is vital for many organisations who cannot yet afford to pay fees, so we are proud to support community organisations with under £20,000 annual turnover by offering them initial free membership or a small voluntary fee. We are continuously grateful to our members who recognise the value of the work we do for the sector and support this financially through membership fees and event sponsorship, as this provides valuable income that substantially increases the impact we are able to have within and for the benefit of the sector.



#### **EXPENDITURE**



#### Staff Pay and Recognition

As a not-for-profit organisation which operates solely for the benefit of its members and the sector, Community Energy England recognises the importance of transparency and accountability when reporting finances. While we do not publish individual salaries, we work hard to ensure that all of our income is used wisely; this includes making sure that staff are paid fairly and that we are able to recruit and retain the best candidates for roles, so we can best pursue our mission and support and promote our members and the wider sector. The vast majority of our core activity costs (and therefore salary expenditure) is made up of the hard work of <u>our team</u>, which is central to the impact we have.

#### STATEMENT OF INCOME AND RETAINED EARNINGS 2019

#### Community Energy Association (England) Limited Income and Expenditure Account For The Year Ended 31 December 2019

		2019	2018
	Notes	£	£
TURNOVER		111,254	109,445
Cost of sales		(31,945)	(26,747)
GROSS SURPLUS		79,309	82,698
Administrative expenses		(217,670)	(173,111)
Other operating income		187,157	108,707
OPERATING SURPLUS		48,796	18,294
Other interest receivable and similar income		16	15
Interest payable and similar charges		(222)	(192)
SURPLUS BEFORE TAXATION		48,590	18,117
Tax on Surplus		(2,927)	(3,442)
SURPLUS AFTER TAXATION BEING SURPLUS FOR THE FINANCIAL YEAR		45,663	14,675

The notes on pages 8 to 11 form part of these financial statements.

### **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 2019 AGM, other events over the past year, supported the State of the Sector 2019 Report and Community Energy Fortnight 2019, and engaged with us in other ways to help shape and enhance the impact we have. To find out more about Community Energy England membership, please visit our website here.

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 Principal Supporters for their additional support and partnership, without which many of our achievements in 2019 would not have been possible.

#### PRINCIPAL SUPPORTERS

Our Principal Supporters are organisations that have supported the growth of the community energy sector through further commitment to Community Energy England:



### CORNWALL INSIGHT

CREATING CLARITY









#### **GRANT FUNDERS**

We would like to sincerely thank our grant funders, whose consistent and generous support has enabled much of the work we do and the impact we have for and on behalf of the community energy movement:



## **JOIN US**

Community Energy England is a membership organisation established to provide a voice for the community energy sector in England and to help create the conditions within which community energy can flourish.

You can help Community Energy England achieve its mission to support and accelerate the transition to a fair, low carbon and community-led energy system by joining us. Becoming a member increases the strength of our collective voice and our ability to advocate for policies at regional and national levels that will support the sector and help it grow. Membership also enables you to connect and influence our work to increase the profile of community energy, support the development of projects, encourage new entrants and facilitate collaboration with public and private sector organisations.

Membership of Community Energy England is inclusive and is open to any organisation that is committed to the development of the community energy sector in England.

# **CONTACT US**



# COMMUNITY ENERGY ENGLAND BOARD AND EXECUTIVE TEAM

