
Company Limited by Guarantee

BYE-LAWS

of

Community Energy Association (England) Limited

(Updated on 25 June 2018)

1 Bye-Laws

- 1.1 The Bye-Laws are those referred to in the Articles to apply to the conduct of the affairs of the Association.
- 1.2 In case of any conflict between these Bye-Laws and the Articles, the Articles shall take precedence.
- 1.3 The Bye-Laws may be amended from time to time by resolution of the Board.
- 1.4 The latest version of the Bye-Laws shall be published on the Website

2 Definitions

- 2.1 In this document, including the foregoing, these terms shall have the following meaning:

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| Articles | the articles of association of the Association |
| Association | Community Energy Association (England) Limited |
| Board | all of the Directors of the Association |
| Bye-Laws | this document and any adopted updated versions thereof |
| Chair | the chairman appointed in accordance with the Articles |
| Community Energy | the conservation, production, sourcing or supply of sustainable electricity, heat, fuels or any other form of energy by mutual or co-operative enterprises, such as the Community Members |
| Community Member | any Member accepted for membership as a Community Member in accordance with Annex A hereof |
| Corporate Member | any Member accepted for membership as a Corporate Member in accordance with Annex A hereof |
| Co-opted Director | any Director appointed by the Board pursuant to clause 6.5 hereof |
| Directors | any Director appointed in accordance with the Articles and any Elected Officer, who has also been elected as a director |
| Elected Director | any Director elected pursuant to Annex C hereof |
| Elected Officer | an officer of the Association elected pursuant to Annex C hereof |
| Executive | those persons employed or retained by the Association in an executive capacity, including all employees of the Association |
| Individual Member | a person acting in his or her private capacity any Individual or Organisation accepted into the membership of the Association under the provisions of the Bye-Laws |
| Membership Category | a grade of membership of the Association established in accordance with clause 4.1 hereof |
| Membership Year | the twelve month period commencing on 1 st day of the Quarter in which a Member is accepted into membership, or such other |

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| | date as the Board may from time to time designate |
| Organisation | any body operating as an entity including, without limitation, companies, firms, partnerships, sole traders, academic institutions, charities, government and non-government agencies, not-for-profit organisations and community groups yet to incorporate |
| Present | applies to a Member's attendance at a meeting when present in person, through an authorised representative, or by proxy, as prescribed in the Articles |
| Public Member | any Member accepted for membership as a Public Member in accordance with Annex A hereof |
| Quarter and Quarterly | relate to each of the periods starting on the first day of January, April, July and October in each year |
| Sub-committee | any sub-committee of, or established by, the Board in accordance with clause 7.1 hereof |
| Sub-committee Chairman | the person appointed as chairman of a Sub-committee in accordance with clause 7.2 hereof |
| Voting Member | any Member within a Membership Category shown in Annex A as eligible to vote |
| Website | the presence of the Association on the world-wide-web at address http://www.communityenergyengland.org |

2.2 Terms defined in the Articles will, unless the context requires otherwise, have the meaning defined therein.

2.3 In this document the male form is used and may apply to persons of either gender.

3 Membership criteria and admissions procedure

3.1 Membership of the Association shall be open to all Organisations which share the aims of the Association and which agree to join the Association and to abide by the Articles and the Bye-Laws.

3.2 The Board or the Executive may produce such forms and procedures as may be considered necessary to enable prospective members to apply for membership.

3.3 The Board may authorise the Executive to process and accept membership applications from any Individual or Organisation with actual or planned involvement in Community Energy.

3.4 Applications for membership from other Individuals and Organisations, which do not fall within the criteria in clause 3.3 above, shall be considered by the Board, which may, in its absolute discretion, decide whether or not such applicants shall be admitted to membership.

4 Membership categories and fees

4.1 The Board may establish such categories of membership as they may consider appropriate, and may define the rights applicable to each Membership Category.

4.2 The rights and fees of each Membership Category are described in Annex A and Annex B hereof and are to be set out on the Website.

4.3 Where the Board proposes a change to any Membership Category, which will affect the voting rights of existing Members, such change shall be subject to approval by means of an Ordinary Resolution of the Members of the Association.

4.4 The Board shall establish the fees applicable to each Membership Category.

- 4.5 The Board may establish whether a joining fee shall be payable by new members, and if so what joining fee shall be applicable to each Membership Category.
- 4.6 The level of membership and joining fees may be updated from time to time but, in normal circumstances, no more frequently than once every year.
- 4.7 The Board may introduce arrangements whereby the annual membership fee may, at each Member's choice, be divided into multiple payments, for example Quarterly; and may set a transaction charge for adopting such a payment plan.
- 4.8 In the absence of other alternatives, pursuant to clause 4.7 above, fees for each Membership Year shall be payable within one month of the start of the Membership Year, or one month of the submission by the Association to the Member of the invoice for the membership fees, whichever is the later.
- 4.9 The Executive may agree with Members provisions for deferred or stage payments, subject to the addition of reasonable service or interest costs as may be agreed.
- 4.10 Membership services may be suspended from any Member while outstanding membership fees or other payments to the Association are due and unpaid.
- 4.11 Interest may be charged at such level as the Board may decide on overdue amounts payable by Members to the Association.

5 Termination of membership

- 5.1 Any Member may terminate membership of the Association by serving notice in writing no less than three months before the end of any Membership Year.
- 5.2 Upon serving notice, all outstanding amounts due to the Association become immediately payable in full.
- 5.3 The Board may serve notice for the termination of the membership of any Member in the event of:
 - (a) Failure by the Member to adhere to the Bye-Laws, where such failure has been notified to the Member by the Association, and not rectified by the Member within one month of notification
 - (b) Conduct by the Member considered by the Board to be grossly prejudicial to the interests of the Association.
- 5.4 Where notice is served by the Association pursuant to clause 5.3 above:
 - (a) the Member may appeal against the decision at a meeting of the Board.
 - (b) Where such appeal is rejected, the Member may make further appeal to the full membership of the Association, either at the next Annual General Meeting or at an Extraordinary General Meeting called in accordance with the Articles.
 - (c) If any such appeal is successful then the notice served by the Association shall become void.
 - (d) If appeals are not pursued, or they are rejected, then the notice shall take immediate effect, in which case any outstanding fees due from the Member become immediately payable, save that the membership fees for the current year shall be reduced by one twelfth for each full unexpired month of the Membership Year.

6 The Board of Directors

- 6.1 The Association will be governed by the Board in accordance with the Articles.
- 6.2 The Board shall comprise not more than eleven directors including:
 - (a) the Elected Directors and the Co-opted Directors
 - (b) the Board shall also include a person appointed as Director ex-officio, the holder of the office of Chief Executive Officer.

- 6.3 The number of Elected Directors may be determined to ensure appropriate representation for different types of members as further detailed in Annex C hereof, provided always that it is in accordance with the Articles.
- 6.4 The Board may appoint a new Director to replace any Elected Director who retires at times other than when a Directors' election is due.
- 6.5 The Board may, at its sole discretion and in accordance with the Articles, appoint no more than two Co-opted Directors, who need not be representatives of Members, to provide additional knowledge or expertise which the Board considers to be of assistance to the Association.
- 6.6 The Directors shall be elected for a nominal period of three years subject to the provisions of clause 6.8 below.
- 6.7 Elected Directors and Co-opted Directors are appointed individually and the retirement of a Director does not give any Member Organisation, which he may have represented at the time of election, the right to appoint a replacement Director.
- 6.8 At the time of each Annual General Meeting, any Director who has not yet been elected at a General Meeting and
- (a) at the first two Annual General Meetings after incorporation, the nearest whole number to one-third of the Elected Directors; and thereafter
 - (b) any Director who has served for more than thirty-three months since being elected
- shall retire by rotation. Subject to any provisions of Annex C hereof, such Directors shall be eligible for re-election if they so choose.
- 6.9 Election by the Members of the Directors and other Elected Officers shall be conducted according to Annex C hereof.
- 6.10 The Board shall meet no less than four times per annum to consider the activities, membership and policies of the Association, to oversee the activities of Sub-committees and Executive, and such other business as they consider fit.
- 6.11 The quorum for a Board meeting shall be 4 directors, provided always that no less than 3 directors representing Community Members are present.
- 6.12 The Board may conduct its meetings in person or through remote communications. Any meeting conducted remotely shall be subject to the same requirements for notice and recording of proceedings as meetings in person, and shall count towards the required total number of meetings in the year, as specified in paragraph 6.10 above provided always that the Board shall have at least 2 meetings in person each year.
- 6.13 The agendas for Board meetings shall be circulated to the Directors in advance and made available to the Members so that they may make representations to the Directors or propose additional items for discussion.
- 6.14 The proceedings of all Board meetings shall be made available to the Members, except for minutes on matters identified by the Board as being necessarily confidential.

7 Sub-committees of the Board

- 7.1 The Board may designate such Sub-committees as it considers appropriate, to transact specific business or consider matters requiring more detailed attention.
- 7.2 The Board shall appoint the Chairman of each Sub-committee and may nominate additional participants as it sees fit. The Sub-committee may appoint additional persons to the Sub-committee.
- 7.3 Sub-committee participants are not required to be directors of the Association, though it will normally be appropriate if at least one Director is involved in each Sub-committee, so that its activities may be reported to the Board.

- 7.4 The Board shall establish the remit for, and the deliverables required from, each Sub-committee.
- 7.5 The Executive shall retain records of all currently constituted Sub-committees, together with the identity of the Sub-committee Chairman and the outline remit for each and shall make such information available to members on request.
- 7.6 The Sub-committee Chairman shall establish the modus operandi for the Sub-committee to support its required objectives.

8 Regional and international activities and organisation

- 8.1 The Board may establish such regional and international activities as it considers appropriate.
- 8.2 Such regional and international activities may be carried out within the resources of the Association, or by collaboration with other organisations.
- 8.3 The Association will aim to avoid duplication of activities with effective regional bodies and networks, which support Community Energy. The Board may seek agreement with such entities that they will undertake certain of the Association's activities as delivery partners in their region, and may agree making payment to them for carrying out this task.

9 Responsibilities of the Board and the Executive

- 9.1 Subject to the provisions of the Articles and the Memorandum of Association, the Board shall be responsible for:
 - (a) The establishment of the primary objectives and policies of the Association
 - (b) The adoption of the annual budgets
 - (c) The appointment of any chief executive and the setting of his remuneration
 - (d) Approval of all expenditure beyond that adopted in the annual budget
- 9.2 The Board may delegate to the chief executive those matters not reserved under clause 9.1 above and the authority to manage the activities of the Executive in carrying out the business of the Association, such chief executive to report regularly to the Board as it may reasonably require.

10 Additional services of the Association

- 10.1 In addition to such other services as the Board may from time to time direct, the Association may establish such other schemes and services as might serve the Members or the broader Community Energy community at large.
- 10.2 The Association may undertake specific projects on behalf of the UK government or other third parties on such terms as may be agreed.
- 10.3 The Association may establish a voluntary service to disseminate information on new projects or fund-raising initiative by members. The terms of such a service will be established separately and an additional fee may be levied on Members wishing to join.

Annex A Membership categories

Any Organisation, which shares the objectives of the Association, may apply for membership. If accepted members will be assigned to one of the categories listed in this Annex.

In the event of any uncertainty about the category appropriate for a particular member then the Board may, in its absolute discretion, specify the category which will apply.

Community Member

The following are eligible as Community Members:

- (a) Any social enterprise or not-for-profit organisation delivering or planning to deliver community energy projects, with a membership drawn primarily from the communities they serve; or
- (b) Any social enterprise or not-for-profit organisation set up primarily to support the delivery of community energy projects;

Where:

- (c) Community energy projects are those that are owned and controlled wholly or partly by a social enterprise or not-for-profit organisation and whose benefits are distributed beyond those that are investing financially in the project; and
- (d) Social enterprise and not-for-profit organisations include: Charitable Incorporated Organisations, Charities, Companies limited by Guarantee, Development Trusts, Community Benefit Societies, Co-operative Societies, Community Interest Companies, Community Associations and unincorporated entities intending to incorporate as one of the above.

Corporate Member

Members are considered to be Corporate Members where they are public or private for-profit companies, firms or partnerships, which do not meet the requirements for Community Member.

Public Member

Other organisations which do not qualify as Community Members or Corporate Members are considered to be Public Members, and in particular:

- (a) National government departments and agencies
- (b) Local authorities and other local government departments and agencies
- (c) Housing associations and other representative bodies
- (d) Non-Governmental and other representative organisations

Individual Member

The Association does not propose initially to seek individual members.

If this changes in the future, this nomenclature will apply to individuals acting in a personal capacity, and it is anticipated that this will be a non-voting class of membership.

Annex B Membership fees

The initial level of annual membership fees will be based on the member's turnover as follows:

Community Member fee table

| Turnover range | Annual Fee |
|-----------------|------------|
| Less than £20k | £0 – 25* |
| Less than £100k | £150 |
| £100k < £1m | £650 |
| £1m < £10m | £1,000 |
| £10m and over | £2,000 |

* The concessionary Nil fee is offered on a trial basis and is intended for community groups at an early stage. After the first membership, an annual administration fee of £25 will be charged, however, established community members with modest revenues are encouraged to agree to a fee of £150 per annum for the benefits of membership.

Corporate members' fees

Our standard annual Corporate membership fee is £1,000 + VAT.

Public and Third Sector members' fees

Our standard annual Public and Third Sector membership fee is £500 + VAT.

Local Authority members' fee table

| Type of organisation | Annual Fee (exc. VAT) |
|--|-----------------------|
| Town and Parish Council | £150 |
| District Borough and City Councils | £250 |
| County Councils, Metropolitan Councils and London Boroughs | £1,000 |

Principal Supporter fees

Our standard rate for Principal and Third Sector fee is £5,000.

Members' turnover

The turnover to be used to assess the relevant fee band is the gross revenue from the latest complete financial year.

Members for whom energy is a minority of their business may quote their turnover based on:

- (a) Their revenues within the energy sector, if separate accounts are kept; failing which
- (b) 25% of their gross revenue, if they can certify that energy represents no more than 25% of their overall business.

Annex C Election of directors

Subject to the Articles, the Association will provide appropriate representation for different types of member, by appointing up to 10 Elected Directors, of which:

- (a) No less than 5 shall be duly authorised representatives of Community Members;
- (b) One director shall be a duly authorised representative of Corporate Members, provided always that Corporate Members make up no less than 10% of the Association's overall membership;
- (c) One director shall be duly an authorised representative of Public Members, provided always that Public Members make up no less than 10% of the Association's overall membership; and
- (d) The remaining directors may be from any Member.

Election process

At each meeting at which the election of Directors is to take place:

- (1) The re-election of any Co-opted Director, who retires by rotation pursuant to the Bye-Laws, is proposed for re-election by the Board and is willing to stand; will be put to a vote. Unless there is a majority of votes against his re-election, that Director will be re-elected.
- (2) The Board will present to the meeting a list of all the candidates for Elected Director, together with a statement of how many are to be elected (for the purpose of this Annex called Director Vacancies), and if applicable the number of appointments from different categories to meet the requirements of the Articles and the Bye-Laws.
- (3) Those Present at the meeting may vote for a number of the candidates not to exceed the number of Director Vacancies.

A committee comprising all Directors present who are not subject to re-election, or if none are present the Secretary if present, failing which a representative committee of Members present appointed for the purpose by the meeting, will ascertain who has been elected as follows:

- (4) The candidates will be listed in sequence based on the total number of votes cast, starting with the highest;
- (5) Starting from the top of the list, until the number of Director Vacancies has been filled or the list is exhausted, the next candidate will be declared to have been elected, unless:
 - (a) That candidate's election would make it impossible to maintain the majority of Community Members' representatives required by the Articles; or
 - (b) That candidate's election would make it impossible to achieve the representation of membership categories described above in this Annex of the Bye-Laws, and there are sufficient candidates to fulfil that representation condition.
- (6) In either of the instances (a) or (b) above, that candidate shall not be appointed. Consideration shall then pass to the next on the list, repeating step (5) above until the required representation has been achieved.