

Collaborating on community energy

**A guide for local authorities on working with
community energy groups**

**Mary Anderson, Ailsa Gibson, Rhona Pringle (all CAG
Consultants) March 2025**



Preface from the Greater South East Net Zero Hub

We are delighted to launch this guide for local authorities on how to collaborate and support community energy groups. While the guide is aimed at local authorities in London and the South East, we hope that it will also be useful for local authorities in other parts of the UK.

Community energy can help to ensure that local people engage with and benefit directly from the energy transition. This guide emphasises the contribution that community energy groups can make, not just to local authority's Net Zero objectives, but also to other objectives such as inclusion, fuel poverty, social justice, economic development and skills.

We would like to thank all the local authorities and community groups that have taken contributed their experience and thoughts to this guide, as well as the Local Government Association, Community Energy England, Community Energy South, Community Energy London and Ashden Climate Solutions.

We hope the guide will help local authorities at all stages in their community energy journey, providing suggestions for those just starting out as well as new ideas and stimulus for those already well engaged with community energy.

Greater South East Net Zero Hub

Executive Summary

Introduction

This guide is aimed at local authority officers and elected members who want to start – or broaden – work with community groups on energy issues. Working with community energy can help your local authority to achieve its net zero commitments, increase local resilience and deliver local value and benefits.

This guidance is primarily aimed at first and second tier local authorities (e.g. counties, districts, unitaries, combined authorities, London and metropolitan boroughs), providing ideas and good practice examples to help you to progress collaboration on energy issues with community groups in your area. This document also includes a Local Authority-Community Energy (LACE) 'Collaboration Assessment', to help you to assess what your local authority is already doing to collaborate with community energy groups. The Collaboration Assessment will also help you to identify which tasks or 'Building Blocks' you might want to progress to develop LACE collaboration further.

The guidance is based on research undertaken during Autumn 2024 by CAG Consultants and the Centre for Sustainable Energy, on behalf of the Greater South East Net Zero Hub (GSENZH). We are very grateful for the input received from many local authorities and community energy groups, as well as from Community Energy South, Community Energy London, Community Energy England and the Energy Learning Network, who provide support to community energy groups across the Greater South East and beyond.

Why community energy and why now?

Community energy should be central to local authority strategies, not only in terms of delivering net zero but also for increasing inclusion, tackling fuel poverty, progressing economic development and skills and delivering a 'just transition'. (A just transition is a pathway to net zero that is fair, maximising the benefits of climate action and minimising negative impacts for workers and their communities). Community energy can contribute to local authority objectives in many ways, including by:

- Acting as trusted intermediaries within local communities on energy and net zero.
- Providing access to local knowledge and technical know-how.
- Providing access to local networks of individuals committed to net zero.
- Generating benefits from energy projects that improve the well-being of local people, thereby increasing local buy-in to these projects.
- Providing access to capital funding via community shares and bonds.
- Sharing project profits and energy bill savings with the local community.
- Providing access to feasibility funding not available to local authorities.

- Supporting future resilience to energy price shocks by increasing local supply.
- Building skills and capacity within the local green economy.

Building the community energy sector yields long-term benefits but may require some seed funding in the short term. For example, Essex County Council is investing to support community energy now, as a means of engaging the wider community with climate and energy issues and making faster progress towards net zero. By helping emerging groups to develop organisational capacity and deliver their first income-generating projects, the council aims to create an ecosystem of groups that will be self-supporting and capable of delivering larger and more transformative projects.

Now is a particularly important time to reflect on how your local authority is working with the community energy sector. GB Energy's Local Power Plan is currently being developed by the government, setting a target for eight GW of new local and community-owned renewable energy to be established across the UK by 2030. Community energy is expected to play a key role in this, given the contribution it can make to delivering projects at scale, generating benefits for local people and improving resilience to future energy price shocks.

The Local Power Plan will involve thousands of new local projects. Acting in partnership with community energy groups will help local authorities seize the opportunities presented by the Local Power Plan and deliver these ambitious targets. This guide aims to help local authorities take advantage of the opportunities presented by community energy.

The LACE Collaboration Assessment

The Local Authority-Community Energy (LACE) Collaboration Assessment is designed to help your local authority review its engagement with community energy. It's not prescriptive but sets out six Building Blocks which can help your local authority to support and grow the community energy sector in order to meet its wider strategic objectives. The assessment asks whether your local authority:

1. Has a good understanding of community energy and what it can deliver, both within and beyond the energy and climate team.
2. Has explicit policies and plans that support community energy.
3. Builds relationships with existing community energy groups in your area.
4. Nurtures and supports the development of local community energy organisations.
5. Supports the delivery of renewable energy, heat or transport projects by community energy organisations.
6. Supports the delivery of energy efficiency, fuel poverty and retrofit services by community energy organisations.

The LACE Collaboration Assessment sets out statements that will enable you to gauge your local authority's current level of collaboration, and its associated ability to realise the opportunities offered by the Local Power Plan, against each of these Building Blocks. The remaining chapters of the guide provide guidance and good practice examples on each of the Building Blocks in turn.

Building Block 1: Understanding community energy and what it can deliver to your local authority

The purpose of this Building Block is to ensure a deep and broad strategic understanding of community energy within your authority, both within and beyond the climate and energy team. This involves understanding of the contribution that community energy can make in terms of 'co-benefits' for the local authority (e.g. inclusion, fuel poverty, public health, economic development, skills and so on), as well as in terms of net zero and climate change. It will require the development of this understanding across a wide range of council teams (e.g. planning, legal, property and estates, finance) and amongst senior portfolio holders and decision-makers. This section of the guide presents material to help you explain the benefits of community energy to your colleagues, focusing on:

- Understanding what community energy is about.
- Linking to your local authorities' strategic objectives and building the business case for community energy.
- Communicating across teams within the local authority.

Building Block 2: Referencing community energy in relevant plans and strategies

Integration of community energy into local authority strategic objectives, plans and policies is an important enabler for successful collaborations between local authorities and community energy organisations. This recognises the contributions that community energy can play in helping local authorities achieve their aims and objectives. Community energy organisations can deliver schemes and services, such as providing energy efficiency advice and low carbon transport schemes, as well as renewable energy generation. Plans and strategies can also embed the different ways that local authorities can provide support for the growth and development of emerging and established community energy organisations. The guidance provides examples of community energy being integrated into:

- Overall Council visions and strategies.
- Net zero plans, climate plans and Local Area Energy Plans.
- Land use plans (e.g. the Local Plan).
- Public health and fuel poverty strategies.
- Community energy plans.

Building Block 3: Building relationships with existing community groups in your area

Finding out which community energy groups and initiatives already exist in your area is an essential first step to building a relationship with them. The types of actions required to progress on this Building Block include:

- Identifying local groups and projects
- Reaching out to community energy umbrella organisations
- Building relationships with existing groups

There are a number of community energy ‘umbrella’ bodies in the Greater South East and nationally that are excellent sources of information about existing community energy organisations and community energy initiatives and also provide guidance, reports and deliver other support services to the community energy sector in their areas. These include Community Energy South, Community Energy London, Community Energy England and the Energy Learning Network.

Building Block 4: Supporting the development of local community energy groups

Local authorities can be key enablers in the development of local community energy groups. This research identified a number of ways that councils can provide support for emerging groups, including:

- Providing practical support (e.g. a free meeting room or loan of equipment)
- Bringing local community energy groups together (e.g. via networking sessions or mentoring)
- Supporting emerging groups (e.g. via a structured programme such as Community Energy South’s Community Energy Pathways programme)
- Setting up a local community energy fund

The guidance highlights the success of the London Community Energy Fund and seven borough-level community energy funds in London. Typically, local energy funds are funded through planning policy, via carbon offset funds or the Community Infrastructure Levy (CIL).

Building Block 5: Supporting renewable energy, heat and transport activities by community energy groups

This is about identifying ways in which your authority can better support the delivery of community-led renewable energy, heat and transport projects. Given growing budgetary pressures, grant funding may be increasingly difficult to offer for some local authorities.

There are, however, several other ways that authorities can provide support to local renewable energy and transport projects, including:

- Providing access to council-owned assets (e.g. buildings and land).
- Providing funding support.
- Buying renewable energy from community energy projects via Power Purchase Agreements (direct or virtual).

This guide provides an overview of different community energy business models and the opportunities and challenges that they present.

Building Block 6: Supporting energy demand reduction activities by community energy groups

This block encourages local authority officers and members to work with local community energy groups on energy demand reduction initiatives in addition to the renewable generation projects outlined in Building Block 5. While some local authorities are already working closely with community energy groups in this area, others don't realise how much community energy groups can contribute.

This guide explains the range of energy demand reduction activities that community energy groups can deliver, both in domestic and non-domestic settings. These range from energy champion services and low-cost measures to advice delivery and more technical services (e.g. surveys, home or site visits, retrofit assessments and retrofit delivery).

Energy demand reduction activities can be simpler for smaller and newer community energy groups to tackle because they involve less capital investment and fewer approval hurdles than the types of projects outlined in Building Block 5. However, these services involve customer-facing work, potentially with vulnerable households, so they must be carefully designed and delivered. While groups offering these services need access to the right skills and need to follow quality and customer care procedures, this guide highlights many examples of community energy groups delivering these services successfully.

Local authorities can support energy demand reduction activities by community energy groups by:

- Supporting and upskilling local groups.
- Funding or commissioning community energy groups to provide energy efficiency or fuel poverty services.
- Partnering with community energy groups to bid for external funding to deliver energy efficiency and fuel poverty initiatives.

What next?

In 2024, the UK Government announced plans to deliver the Local Power Plan with support from GB Energy. The [GB Energy Founding Statement](#) explains that the intention is to "roll out small and medium-scale renewable energy projects, using established technologies, to

develop up to 8 GW of cheaper, cleaner power” by funding and partnering with community energy groups, and local and combined authorities.

This has the potential to transform, or, as [Community Energy England](#) describes it, to “turbocharge” the community energy sector in the UK. This guide provides information and case studies to help inform your local authority about the actions you can take to support closer collaboration with community energy groups, which will help to deliver your own strategic objectives and position the sector in your local area, to take advantage of future opportunities.

The Greater South East Net Zero Hub hopes that the LACE Collaboration Assessment will help local authorities (both within and beyond the Greater South East region) to assess where they stand regarding community energy and think about what more they can do, consistent with their local priorities, opportunities and constraints, in light of these upcoming policy changes.

Deeper and wider collaboration between community energy groups and local authorities is needed not only to take advantage of Local Power Plan opportunities but also to achieve local authorities’ net zero, just transition and wider strategic goals.

Contents

Preface from the Greater South East Net Zero Hub	1
Executive Summary	3
Contents	9
Introduction	10
Local Authority-Community Energy Collaboration Assessment	14
Building Block 1: Understanding community energy and what it can deliver to your local authority	19
Building Block 2: Referencing community energy in relevant plans and strategies	29
Building Block 3: Building relationships with existing community energy groups in your area	34
Building Block 4: Supporting the development of local community energy groups	39
Building Block 5: Supporting renewable energy, heat and transport activities by community energy groups.....	44
Building Block 6: Supporting energy demand reduction activities by community energy groups	54
What next?	62
Appendix 1 - Methodology	63
Appendix 2 – Worked example of LACE collaboration assessment.....	68
Appendix 3 – Further guidance and resources.....	71

Introduction

Guide overview

This guide is aimed at local authority officers or members who want to start or to broaden your authority's work with community groups on energy issues, helping your authority to achieve its net zero commitments, increase local resilience and deliver local value and benefit.

This guidance is primarily aimed at first and second tier local authorities (e.g. counties, districts, unitaries, combined authorities, London and metropolitan boroughs), providing ideas and good practice examples to help you to progress collaboration on energy issues with community groups in your area. This document presents a Local Authority-Community Energy 'Collaboration Assessment', to help you assess where your local authority currently stands. The Collaboration Assessment will also help you identify which tasks or 'Building Blocks' you might want to progress to develop LACE collaboration further.

The guidance is based on research undertaken during Autumn 2024 by CAG Consultants and the Centre for Sustainable Energy, on behalf of the Greater South East Net Zero Hub (GSENZH). Further details about the research underpinning this guide are presented in [Appendix 1](#).

We are very grateful for the input received from many local authorities and community energy groups, as well as from Community Energy South, Community Energy London, Community Energy England and the Energy Learning Network, who provide support to community energy groups across the Greater South East and beyond.

What do we mean by community energy?

We're using the term 'community energy' in its broadest sense:

"Community Energy is about people and communities taking democratic control over their energy future, by understanding, generating, using, owning, and saving energy in their communities, as well as working together across regions and nationally."

Energy Learning Network (2025), The case for community energy

This definition of community energy includes all community and voluntary groups that tackle energy-related issues, as well as community energy groups that are formally constituted (or planning to incorporate) as 'community benefit societies', 'community interest companies' and 'co-operatives'. It also includes 'community climate action groups',

parish councils, town councils and other local neighbourhood groups that are tackling energy issues, as well as third sector organisations that are tackling fuel poverty.

Why community energy and why now?

Community energy should be central to local authority strategies, not only in terms of delivering net zero but also in terms of increasing inclusion, tackling fuel poverty, progressing economic development and skills and delivering a just transition. (A just transition is a pathway to net zero that is fair, maximising the benefits of climate action and minimising negative impacts for workers and their communities)

The capacity and scale of the community energy sector has grown significantly over the past 10-15 years. Community Energy England's State of the Sector report shows that, in 2023, there were 583 community energy organisations across the UK, owning nearly 400 MW of renewable energy generation and raising £6.4m in investment from communities to support their investments in 2023 alone. These organisations contributed £12.9m to local economies and employed 796 full-time equivalent posts, supported by an additional 3,719 volunteers. Their energy efficiency and fuel poverty work generated around £4.4m in energy bill savings, with 72 new energy advice and energy efficiency services planned for 2024. Overall, these organisations saved 166,000 tonnes of carbon in 2023.

The importance of community energy is reflected in the Department for Energy Security and Net Zero's Local Net Zero Forum and the national Community Energy Contact Group. The Greater South East Net Zero Hub, like the other Net Zero Hubs across England, plays a key role in supporting community energy activity, both directly and via partnerships with local authorities.

The Energy Learning Network is in the process of publishing a paper on 'The Case for Community Energy' (2025), evidencing the practical, participatory and transformative power of community energy (see [Appendix 3](#) for details).

As outlined in later sections of this guide, community energy can contribute to local authority objectives in a large number of ways, including by:

- Acting as trusted intermediaries within local communities, building trust and engagement on energy and net zero issues.
- Providing access to local knowledge and technical know-how to help deliver renewable energy, heat, transport, energy efficiency and fuel poverty initiative.
- Providing access to local networks of individuals, both staff and volunteers, who are personally committed to making progress on net zero while bringing benefits to their local communities.
- Generating benefits from energy projects that improve the well-being of local people and thereby increasing local buy-in to these projects.

- Providing access to capital funding not available to local authorities (e.g. via community shares and bonds).
- Sharing project profits and energy bill savings with the local community, via community shareholdings and Energy Local Clubs.
- Providing access to support and feasibility funding not available to local authorities (e.g. via past rounds of the Community Energy Fund, accessed via the Net Zero Hubs, as well as the National Lottery Communities Fund).
- Supporting future resilience to energy price shocks by increasing the local supply of renewable electricity and heat.
- Building skills and capacity within the local green economy.

Building the community energy sector can yield extraordinary long-term benefits but may require some seed funding in the short term. For example, Oxfordshire's wide and deep community energy eco-system evolved from the establishment of a council-supported network of 'Community Action Groups' in the early 2000s. While these groups initially focused on waste and wider sustainability issues, energy-specific groups such as the Low Carbon Hub emerged from Oxfordshire's Community Action Group network. Low Carbon Hub is now key to delivering innovation and transformation within Oxfordshire's energy system, via Project Leo and its successor Project Leo-N, working in partnership with the local authorities in Oxfordshire, with Scottish and Southern Electricity Networks and with UK Research and Innovation.

In another example, Essex County Council is taking a similar approach to Oxfordshire: investing to support community energy now, as a means of engaging the wider community with climate and energy issues and making faster progress towards net zero in future. By helping emerging groups to develop organisational capacity and deliver their first income-generating projects, the county aims to create an ecosystem of groups that will be self-supporting and capable of delivering larger and more transformative projects.

Now is a particularly important time to reflect on how your local authority is working with the community energy sector. GB Energy's Local Power Plan is currently being developed by the Government, setting a target for 8 GW of new local and community-owned renewable energy to be established across the UK by 2030. Community energy is expected to play a key role in this, given the contribution it can make to delivering projects at scale, generating benefits for local people and improving resilience to future energy price shocks.

The Local Power Plan will involve thousands of new local projects. Acting in partnership with community energy groups will help local authorities seize the opportunities presented by the Local Power Plan and deliver these ambitious targets.

This guide aims to help local authorities take advantage of the opportunities presented by community energy.

Local Authority-Community Energy Collaboration Assessment

The Local Authority-Community Energy (LACE) Collaboration Assessment is designed to help local authorities who are reviewing their engagement with community energy. It's not prescriptive but sets out six 'Building Blocks' which can help local authorities to support and grow the community energy sector in their areas in order to meet their wider strategic objectives. The assessment is set out here so that you can check where your local authority stands on these six 'Building Blocks'. Does your local authority:

1. Have a good understanding of community energy and what it can deliver, both within and beyond the energy and climate team?
2. Have explicit policies and plans that support community energy?
3. Build relationships with existing community energy groups in your area?
4. Nurture and support the development of local community energy organisations?
5. Support the delivery of renewable energy, heat or transport projects by community energy organisations?
6. Support the delivery of energy efficiency, fuel poverty and retrofit services by community energy organisations?

The LACE Collaboration Assessment below provides statements that will enable you to gauge your local authority's current level of collaboration, and its associated ability to realise the opportunities offered by the Local Power Plan, against each of these Building Blocks. The columns indicate the ways in which collaboration can be strengthened, and the remaining chapters in this guide provide guidance and good practice examples on each of the Building Blocks in turn.

The descriptions below may not fit your local authority exactly, but we hope they will help you to self-assess roughly where your local authority stands on community energy. If your authority hasn't done much to date, you can use the other columns to get ideas about what else your authority could do.

Building Blocks	Limited collaboration	Moderate collaboration	Strong collaboration
1. Local authority has a good understanding of community energy and what it can deliver to the authority	There is limited understanding of community energy and what it can offer amongst our officers and members. (For example, we have little knowledge about existing community energy initiatives, whether local or non-local, and we haven't really considered how community energy could contribute to our local authority's strategic objectives.)	Our climate change or net zero team, and at least one of our elected members, has a good understanding of community energy and the contribution it can potentially make to a range of local authority strategic objectives (e.g. net zero, just transition, skills development, local economy, financial resilience, community empowerment, health and welfare). But many other teams (e.g. finance, planning, legal, property and estates) don't have this understanding.	Relevant portfolio holders, councillors and directors have a good understanding of community energy and the contribution it can potentially make to our local authority's strategic objectives (e.g. net zero, just transition, skills development, local economy, financial resilience, community empowerment, health and welfare). (And - possibly - we have members and officers who are actively engaged with community energy organisations themselves.)
2. Local authority has explicit policies and plans that support community energy	There is no explicit reference to community energy in our strategies and plans.	We have strategies and plans in place that make some reference to the potential role of community energy.	We have strategies and plans (e.g. net zero plan, climate emergency plan, Local Area Energy Plan) that strongly reference the role of community energy and explain the benefits of this. Relevant portfolio holders and council decision-makers actively support the delivery of these plans. And - possibly - we have a specific strategy or plan for community energy.
3. Local authority collaborates and partners with existing community energy organisations	We don't have much contact with community energy groups in our area. Our local authority prefers to deliver services itself rather than do this through partnerships with community energy organisations.	We regularly contact community energy groups in our area (e.g. as part of relevant consultation processes). But we haven't undertaken much partnership work with existing community groups.	We have developed partnerships working with existing community energy groups. We are considering joint funding bids or are already delivering joint projects (e.g. through Innovate UK's Fast Followers programme, DESNZ funding or other funded programmes). We regularly involve community energy groups in the development of relevant strategies, plans and projects (e.g. net zero plans, climate emergency plans, Local Area Energy Plans).
4. Local authority	We don't currently support the evolution of community energy	We regularly host network meetings for those involved in community energy organisations	As well as hosting regular community energy network meetings, we also provide further support or funding for

Building Blocks	Limited collaboration	Moderate collaboration	Strong collaboration
nurtures the community energy sector and supports the evolution of community energy organisations in its area	organisations in our area, either because we don't see the need or because we don't have the resources or capacity to do this.	in our area, helping them to keep up to date with upcoming funding and partnership opportunities, and encouraging them to learn from each other. We offer some limited support to at least one community energy group (e.g. loaning a thermal imaging camera; or providing office space).	several emerging or evolving community energy organisations in our area (either directly providing advice or funding or offering this in other ways – e.g. via staff secondment, providing office space, loaning equipment etc, or via the Pathways programme).
5. Local authority supports the delivery of renewable energy, heat or transport projects by community energy organisations	Any renewable energy, heat or transport projects on our buildings or land are generally owned by us and delivered by commercial contractors - either because it's more advantageous to do it ourselves (e.g. less risky, higher return), or because we don't currently have the policy mandate, skills, capacity or resources to support new community energy projects. Similarly, we don't currently support the development of any community energy-owned renewable energy, heat or transport project in the wider community, because we don't see the benefits of this approach or don't have the policy mandate, skills, capacity or resources to support new community energy projects.	We are working with at least one community energy organisation to deliver a renewable energy, heat or transport project on local authority-owned buildings or land (e.g. buying electricity via a Power Purchase Agreement; or installing EV chargepoints). OR We are supporting the development of at least one community energy-owned renewable energy, heat or transport project in the wider community (either directly or via a programme such as Pathways). In either case, the climate change and net zero team is helping the project(s) to navigate the necessary approvals (e.g. planning, legal team, property and estates team, finance team).	We have systematic plans to make some suitable local authority buildings or land available for renewable energy, heat or transport projects owned by community energy organisations because we see wider strategic benefits from these projects being in community hands. And – possibly - we have a procurement framework for the purchase of renewable energy projects, or for the purchase of low carbon electricity and heat, that can realistically be accessed by established community energy groups and that enable them to demonstrate the social value that they offer. OR We offer targeted grant funding for new community energy projects, including renewable energy, heat and transport projects (e.g. via carbon offset or Community Infrastructure Levy (CIL) funding).

Building Blocks	Limited collaboration	Moderate collaboration	Strong collaboration
6. Local authority supports the delivery of energy advice, retrofit, fuel poverty or other services by community energy organisations	We don't currently procure any energy advice, retrofit or fuel poverty services from community energy and climate action organisations in our area. We may have some awareness that they have skills and experience on these topics that would be useful to us.	We are aware the local community energy and climate action groups have skills that can be useful to us. We sometimes reach out to a local community energy group for advice on energy efficiency, fuel poverty, retrofit or other services or sometimes ask informally for their help in promoting these types of council services to residents.	We currently procure, or have procured, energy advice, fuel poverty, retrofit or other services from established community energy and climate action organisations in our area, or we partner with them on externally funded programmes. We see them as offering skills and experience relevant to our service delivery.

An illustrative example of a self-assessment using the LACE Collaboration Assessment matrix is shown in [Appendix 2](#).

The remaining sections of this guide present ideas and good practice examples to help you progress your authority's work on each of these 'Building Blocks'. This should help you to realise the potential opportunities offered by the Local Power Plan. We're aware that each authority has its own priorities and constraints, so the suggestions are presented as a menu of options (including low-cost activities) rather than a prescriptive set of recommendations.

Building Block 1: Understanding community energy and what it can deliver to your local authority

Building Block	Limited collaboration	Moderate collaboration	Strong collaboration
1. Local authority has a good understanding of community energy and what it can deliver to the authority	There is limited understanding of community energy and what it can offer amongst our officers and members. (For example, we have little knowledge about existing community energy initiatives, whether local or non-local, and we haven't really considered how community energy could contribute to our local authority's strategic objectives).	Our climate change or net zero team, and at least one of our elected members, has a good understanding of community energy and the contribution it can potentially make to a range of local authority strategic objectives (e.g. net zero, just transition, skills development, local economy, financial resilience, community empowerment, health and welfare). But many other teams (e.g. finance, planning, legal, property and estates) don't have this understanding.	Relevant portfolio holders, councillors and directors have a good understanding of community energy and the contribution it can potentially make to our local authority's strategic objectives (e.g. net zero, just transition, skills development, local economy, financial resilience, community empowerment, health and welfare). (And - possibly - we have members and officers who are actively engaged with community energy organisations themselves.)

The purpose of this Building Block is to ensure a deep and broad strategic understanding of community energy within your authority, both within and beyond the climate and energy team. This involves understanding the contribution that community energy can deliver in terms of 'co-benefits' for the local authority (e.g. inclusion, fuel poverty, public health, economic development, skills and so on), as well as in terms of net zero and climate change. And it will require the development of this understanding across a wide range of council teams (e.g. planning, legal, property and estates, finance) and amongst senior portfolio holders and decision-makers.

This section of the guide presents material to help you explain the benefits of community energy to your colleagues. Further insights are presented in the [Energy Learning Network's](#) evidence digest on 'the social, economic and environmental value of a community energy approach' (publication expected Spring 2025) and in the documents listed in [Appendix 3](#).

The four topics in this section are:

-
- Understanding community energy
- Linking to your net zero and climate change objectives
- Linking to wider strategic objectives
- Communicating across teams within your authority

Understanding community energy

As noted in the [introduction](#), we're using the term community energy in its broadest sense:

"Community Energy is about people and communities taking democratic control over their energy future, by understanding, generating, using, owning, and saving energy in their communities, as well as working together across regions and nationally."

Energy Learning Network (2025), The case for community energy

From this perspective, community energy is not just about formally constituted groups that invest in renewable energy projects. It's about community-led organisations that are responsive to local needs and are interested in tackling the climate crisis and making progress towards net zero within their communities. Energy may not be their sole focus as an organisation, provided that it is one of the things they are trying to tackle.

While some of these community groups will be solely focused on climate and net zero issues, others may have broader objectives such as improving the quality of life of particular groups in the community (e.g. older people, people from a specific ethnic group) or helping local people out of financial hardship.

Community energy organisations vary enormously in their size and capability. Some are formally constituted as Community Benefit Societies (CBS), Cooperative Societies (coops) or Community Interest Companies (CIC), while others are linked to parish or town councils, or are groups of volunteers who are not formally constituted. Some groups employ staff while others rely solely on volunteers. But they share some key characteristics, such as: being operated by ordinary citizens, having the overarching goal of reducing the use of fossil fuels, responding to the specific needs and interests of their local community and prioritising social and environmental goals over profits (see [Energy Learning Network's](#) report on 'the social, economic and environmental value of a community energy approach'—publication expected Spring 2025).

Community energy could include:

A local community climate action group that wants to tackle energy issues, alongside waste and nature issues.

A parish council that wants to get a local heat pump project off the ground.

A neighbourhood or residents organisation that wants to help local residents tackle their high energy bills during the winter.

A local charity that is training up energy champions to work with elderly people at risk of fuel poverty.

A volunteer-led community energy group, constituted as a Community Benefit Society, that raises a community share offer to fund solar PV on a local school.

A well-established community energy group, constituted as a CBS, Coop or CIC, which has one or more paid staff who work with volunteers to deliver renewable energy and energy advice projects.

Community Energy England's website is a great source of information and resources on the community energy sector. For a quick visual explanation about what community energy is, and what benefits it can generate, download the 'scrolling infographic' developed by Community Energy England for their 2024 State of the Sector report [here](#).

The Energy Learning Network's document 'The case for community energy' is another useful source of information – see [Appendix 3](#) for details.

Linking to your net zero and climate change objectives

**"We're not really going to achieve net zero if we don't bring people along with us."
(Anonymous quote from energy and climate team at a county council)**

In the research undertaken with local authorities for the Greater South East Net Zero Hub (GSENZH), many local authorities reported that they work with community groups, including community energy groups, to broaden their reach into local communities and

help deliver on net zero and climate issues. Working with trusted local groups, embedded in local communities, is seen as a way of increasing ordinary people's engagement with net zero and climate change issues. Local authorities told us that community groups working on energy and climate issues can show people what can be done, gradually leading to behaviour change and more action through a 'ripple effect'.

"I think we also understand that behaviour change and lifestyle change is probably ... one of the biggest contributions to reducing carbon emissions and building resilience. So engaging with communities is something we know will be the most effective way of doing that."

(Anonymous quote from Energy and Climate team at a county council))

Where community energy groups are good at reaching into communities, local authorities reported that they can increase the capacity of the local authority to engage with a diverse range of people on climate and energy topics. Community Energy England's State of the Sector report for 2024 found that 13 different non-English languages were used by community energy organisations across England in their work with local communities. This report also found that community energy organisations have nearly 70,000 members across England.

Energise Sussex Coast – Deepening and broadening engagement with energy issues

Working in collaboration with Hastings Borough Council and other partners, this Eastbourne-based group runs a wide range of outreach activities. At the time of this research, these activities included an 'energy roadshow' that toured rural locations, providing information on solar panels and heat pumps, as well as free energy workshops for people wanting to develop small-scale off-grid solar PV and battery systems. Energise Sussex Coast also provided free energy advice via trained advisers and ran an energy champion service.

This example illustrates the range of roles that a community energy group can play in engaging the wider community on energy issues. See www.energisesussexcoast.co.uk/events/

Community Energy England - Deepening engagement

76% of members and supporters of community energy organisations say that their relationship with the organisations helped them to get involved in other sustainable energy initiatives. (CEE, State of the Sector report 2024)

Importantly, community energy groups also directly support and deliver projects that save carbon: generating renewable energy, enabling more use of heat pumps, enabling more electric vehicle (EV) charging infrastructure or signposting people to energy efficiency advice and retrofit measures. The direct contribution of community energy to the delivery of local authority net zero strategies is further in [Building Block 5](#) and [Building Block 6](#).

Linking to wider strategic objectives

Surrey County Council - 'No one left behind'

For Surrey Council, the strategic benefit of supporting community energy initiatives includes meeting county-wide net zero targets, fostering innovation, and addressing local needs more effectively than the council could alone. But community energy initiatives are also linked to broader agendas such as fuel poverty, skills development, and public health, aligning with the principle of inclusivity ('No one left behind') set out in the council's strategic framework, the 'Surrey Way'. www.surreycc.gov.uk/council-and-democracy/finance-and-performance/vision-strategy-and-performance/our-organisation-strategy/our-strategic-and-financial-framework

While community energy is often seen as important from a climate change and net zero perspective, our research showed that community energy can also bring 'co-benefits', contributing to a wide range of other local authority objectives. These 'co-benefits' can be used to build the business case for supporting the development of community energy, providing short-term support in the expectation of longer-term strategic gain:

- **Just transition** – engaging with the local community via community energy groups can help to ensure that different sections of the community are considered within the transition to net zero. For example, Cambridgeshire County Council is funding current community energy initiatives, including the employment of a dedicated officer post, from its 'just transition' budget.
- **Economic development** – community energy groups keep earnings and profits local so that they feed back into the local community. In 2024, the community energy sector contributed £12.9m to local economies across the UK through organisational expenditure and payments from community benefit funds (see [State of the Sector report](#), Community Energy England, 2024). The Head of Energy and Low Carbon at Essex County Council has reported that for every £1 of revenue invested in employing a dedicated community energy officer, the community energy groups were able to bring additional funding of £8 into the county. When taking into account the additional grants that County staff were themselves able to secure for community energy initiatives, through the investment in staff capacity, this increased to £13 additional funding for every £1 spent on the dedicated officer post.
- **Green jobs, skills development and training** - community energy projects can directly build the skills of local people as energy champions, domestic energy assessors or advice providers, and can help to support the local retrofit supply chain. In 2024, the community energy sector employed 796 full-time employees and involved 3,719 volunteers across the UK (see [text box on Repowering London](#)).

- **Energy security** – by supplying locally generated energy to local businesses and residents, through Power Purchase Agreements or [Energy Local Clubs](#), community energy projects can help to protect consumers from future energy price rises and can increase the resilience of local energy supplies ([see Building Block 5 for more about PPAs](#)).
- **Public health and welfare**– if closely targeted at vulnerable households, community-led energy advice projects can improve comfort and health outcomes, potentially leading to health service savings from reduced GP consultations or hospital admissions ([see text box on Saving Lives with Solar](#)).
- **Community benefit and empowerment** – for some local authorities, community energy is important because it involves local people doing something for themselves, and making their own choices about what is needed locally ([see text box on Orchard CE and Kent CE Community Fund](#)).
- **Estates and housing** – community energy groups can play a significant role in renewable energy and heat generation and also in fuel poverty, energy efficiency advice and retrofit work, as explained further under Building Blocks 5 and 6.
- **Transport** – community energy groups can and do play a role in identifying locations that need EV chargepoints or rural car clubs, where these are unlikely to be provided by commercial operators. Across the UK, community energy groups have played a role in providing 387 chargepoints, 124 electric vehicles and 298 e-bikes ([see State of the Sector report](#), Community Energy England, 2024).
- **Education** – some community energy groups work with schools to teach children about climate and energy issues, sometimes using monitoring data from solar PV installations as a teaching aid ([see text box on Brighton Energy Coop](#)).
- **Finance** – community energy groups can access some sources of funding not available to local authorities. For example, community energy groups across the UK raised £6.4 million in community shares during 2023. Larger community energy groups regularly partner with other organisations to raise project funds from the National Lottery Communities Fund, Distribution Network Operators, government-funded or research and innovation programmes and from third-sector bodies such as Power to Change and the Esmée Fairburn Trust.

Skills co-benefits - Repowering London's Youth Training Programme

Repowering London runs a paid Youth Training Programme that introduces young people to community energy and inspires them to be part of the green economy. The programme is designed for secondary school students and school leavers aged 16 to 19. Students receive an AQA certificate upon completion and complete two days of work experience to use their new

skills and gain confidence.

For more information, see: www.repowering.org.uk/education-and-training/

Public health co-benefits - Saving Lives with Solar

In 2016, South Staffordshire Community Energy (SSCE) installed solar PV on seven buildings in the University Hospitals of North Midlands (UHNH) NHS Estate in Stoke on Trent and Stafford. The surplus from the SSCE panels on the Trust buildings funds a fuel poverty scheme. Consultants identify people who are repeatedly admitted to A&E with health conditions related to cold, damp homes and request the patients' permission to refer them to a fuel poverty charity, Beat the Cold (BtC). BtC then 'treat' the patients in their homes with a mix of solutions ranging from home improvement, energy debt write-off, getting them on the priority risk register, securing relevant benefits and giving general advice. A 2017 study by the UHNH data team found that the scheme generated health service savings of £1,000 per referral (through reduced use of the health care system by these patients) while the cost was £136 per referral to 'Beat the Cold'.

For more information, see: <https://cagconsultants.co.uk/devon-county-council-report-on-socio-economic-benefits-of-community-energy-prepared-by-cag-consultants>

Community empowerment and inclusivity co-benefits - Community Fund grants by Orchard Community Energy and Kent Community Energy

Orchard Community Energy and Kent Community Energy both own 5 MW solar farms in North Kent. To date, OCE has donated over £80,000 to local causes, from the proceeds of its energy generation. In 2024, OCE Community Fund grants supported Brogdale Collection's Youth Education Activities for disadvantaged children, the creation of pocket orchard spaces at Broomhill, the creation of 'Spaces in the Park' at Milton Creek Country Park, and also supported SATEDA's work with disadvantaged women and children.

For more information, see: <https://orchardcommunityenergy.org/2024-grants-1>

Kent Community Energy has created two short engaging videos to showcase the impact of their community fund donations on the Emmaus Trust and Canterbury Umbrella:

For more information, see: www.next-generation.org.uk/community-solar

Educational co-benefits - Brighton Energy Co-op - Solar Education Programme

Brighton Energy Co-op (BEC) partners with schools to assist staff in educating children about solar energy and the carbon cycle. BEC's educators frequently visit schools to run interactive workshops. A hands-on activity to build and race solar electric cars is used to teach students about renewable energy in a fun and engaging way.

Building the business case for community energy

These co-benefits can help to build the business case for supporting community energy, using the 'five case' approach put forward by [HM Treasury](#). Whether applied to a specific community energy project (e.g. putting solar panels on the roof of a council-owned school) or a wider community energy initiative (e.g. creating a support mechanism for emerging community energy groups), the 'five case' approach emphasises consideration of:

1. **The strategic case**- the project or programme provides a strategic fit and is supported by a compelling case for change (e.g. this community energy initiative is expected to contribute to the authority's net zero and wider strategic objectives).
2. **The economic case** – the project or programme maximises public value to society through consideration of different options and identification of the preferred option (e.g. this community energy initiative is expected to be more cost-effective or generate more co-benefits than alternative options).
3. **The commercial case** – the project or programme is commercially viable, in terms of procurement of a potential deal (e.g. one or more local community energy organisations have expressed interest in the project, on terms that have been tried and tested by other local authorities and are acceptable to both parties).
4. **The financial case** – the project or programme is affordable and fundable over time (e.g. the community energy organisation(s) can access funding via grants or community shares to complement any funding provided by the local authority).
5. **The management case**: the project or programme can be successfully implemented (e.g. the council already has knowledge of, or experience of working with, the community energy organisation(s) and is confident that the new initiative can be successfully implemented, with appropriate management mechanisms in place).

[Appendix 3](#) provides links to further information that may help in building these different aspects of the business case.

Communicating across teams within your authority

Our research found that climate and energy teams within local authorities generally had a good understanding of what community energy can offer, but that many of their colleagues did not. Colleagues in the finance department, property, estates or legal team were reported to have less understanding of community energy and to see community-led projects as potentially riskier. They were less likely to understand the strategic benefits of working with community energy groups. This can contribute to projects stalling due to problems approving legal agreements, leases or Power Purchase Agreements.

Where there was wider support for community energy across different teams within a local authority, including amongst portfolio holders and senior decision-makers, the climate and energy team was generally taking the lead in communicating the realities and benefits of community energy to other teams in the authority.

“It's kind of our job to ... convince our planning colleagues, infrastructure colleagues, property services colleagues that there are benefits to working with community energy groups.”

(Anonymous quote from energy and climate team at a county council)

Some local authorities, such as Hackney Council and Cambridgeshire County Council, have dedicated community energy officers who can play a role in this. In others, members of the climate and energy team lead this communication between them.

Southwark Council – Cross-team communication

Southwark has a strong political commitment to community energy. The climate team plays a key role in communicating the rationale for community projects to other teams in the council, to ensure that there is a broad understanding of the longer-term benefits of building the community energy sector.

Some ways in which you can build an understanding of community energy amongst your colleagues are to:

- Find individual officers and members within the authority who are involved with community energy groups and discuss how they can act as internal ambassadors or communicators.
- Run a ‘teach-in’ session for colleagues from a range of departments, using resources and materials available from Community Energy England such as the [2024 State of the Sector infographic](#).
- Encourage colleagues to attend webinars run by Community Energy England, the Energy Learning Network and other support groups (e.g. local groups such as Community Energy South, and Community Energy London).
- Set up visits to local community energy project activities and meet with the people involved in these groups.

Building Block 2: Referencing community energy in relevant plans and strategies

Building Block	Limited collaboration	Moderate collaboration	Strong collaboration
2. Local authority has explicit policies and plans that support community energy	There is no explicit reference to community energy in our strategies and plans.	We have strategies and plans in place that make some reference to the potential role of community energy.	We have strategies and plans (e.g. net zero plan, climate emergency plan, Local Area Energy Plan) that strongly reference the role of community energy and explain the benefits of this. Relevant portfolio holders and council decision-makers actively support the delivery of these plans. And - possibly – we have a specific strategy or plan for community energy.

Why strategic alignment matters

One of the insights identified through our research as to how local authorities can best collaborate with and support their local community energy sector is the importance of local authority strategic alignment and policy support for community energy. The integration of community energy initiatives into local authority strategic objectives, plans and policies is an important enabler for successful collaborations between local authorities and community energy organisations. This recognises the contributions that community energy can play in helping local authorities achieve their aims and objectives, as community energy organisations can deliver schemes and services, such as providing energy efficiency advice and low carbon transport schemes, as well as renewable energy generation. Plans and strategies can also embed the different ways that local authorities can provide support for the growth and development of emerging and established community energy organisations.

What types of plans and strategies?

Local authorities can align policies with community energy initiatives and integrate these into a wide range of different council plans and strategies, from high-level strategic plans, such as local plans, net zero plans and Local Area Energy Plans (LAEPs - these will be discussed in more detail in [Building Block 3](#)) to more detailed, specific community energy plans. Service and thematic plans, such as public health plans can also reflect how community energy initiatives and the service areas can collaborate to achieve shared objectives and how work on these can be supported.

The five types of plans discussed in this section are:

- Local authority visions and strategies
- Climate change and net zero strategies and plans
- Land use plans
- Public health and fuel poverty strategies
- Community energy plans

The scope to involve community energy groups in Local Area Energy Plans is explored in [Building Block 3](#).

Local authority visions and strategies

High-level strategies setting out the overall aims and objectives of a council, can be a starting point, or launch pad for local authorities in their collaborations with community energy organisations. Community energy may not be mentioned, but the aims and objectives may align closely with those of community energy organisations. This can form the basis for developing more detailed plans with community energy organisations as to how they can work together to deliver their strategic objectives.

Southwark Council: Integration with corporate strategies and frameworks

Southwark Council's corporate strategy 'Southwark 2030' has six goals, including decent homes for all, a healthy environment, and a strong and fair economy. While the strategy doesn't explicitly mention community energy, these goals provided the hooks for the council to support community energy initiatives in the borough. Southwark Council built on this to proactively engage with community energy groups, including attending conferences and meetings, which led to the development of a shared vision for community energy in the borough and the Council launching the Southwark Community Energy Fund.

For more information, see: <https://education.southwark.gov.uk/assets/attach/10264/Southwark-2030-strategy-FINAL-.pdf> OR <https://services.southwark.gov.uk/environment/climate-emergency/get-involved/southwark-community-energy-fund>

Climate change and net zero strategies and plans

Community energy groups can play a crucial role in contributing to achieving local authorities' net zero strategy targets through developing and delivering renewable energy projects, sustainable transport initiatives and supporting improved energy efficiency in buildings. Embedding community energy initiatives within local authority Climate Change Action Plans provides a strategic framework that supports the development and implementation of community-led energy projects and recognises the contributions community energy groups can make. Community energy groups can also raise awareness of climate change adaptation and mitigation and net zero goals and plans with audiences that local authorities find difficult to engage.

Essex County Council: Climate Action Plan

Essex County Council included the following energy ambition in its Climate Action Plan 'increasing investment in renewable energy, to support local communities to generate their own renewable energy and to benefit directly from the transition to clean energy'. The action plan sets out how it is supporting the establishment of a network of new community energy groups with support from Community Energy South's Pathways programme. This aims to help parishes and communities across to develop new local renewable energy projects.

For more information, see: www.essex.gov.uk/sites/default/files/2023-12/Climate%20Action%20Plan%20-%2008.12.23.pdf

"The idea of working with the community is written into the climate plan and then it's...our job to put that into action and then to also convince our planning colleagues, infrastructure colleagues, property services colleagues that there are benefits to working with community energy groups."

(Anonymous quote from energy and climate team at a county council)

Land use plans

Consideration and integration of community energy schemes into local planning policies can ensure that energy initiatives contribute positively to the landscape and cultural heritage, balancing conservation with energy transition goals. The upcoming new National Planning Policy Framework (NPPF) will lift the moratorium on onshore wind and could potentially include other changes that recognise the role of net zero, small-scale and community-led energy within planning policy.

Luton Borough Council: Integration into local planning

Although not yet fully integrated, Luton Borough Council is in the process of reviewing its Local Plan and is looking to incorporate community energy into the Local Plan. One of the draft objectives in the Local Plan review is:

'Ensure the efficient use of resources and support a local zero-carbon energy system that reduces Luton's reliance on global fossil fuels and prioritises community energy'

This strategic move aims to enhance and support the development of community energy within the borough.

For more information, see:

www.luton.gov.uk/Environment/Lists/LutonDocuments/PDF/Local%20Plan/summary-booklet.pdf

Local plans can also set policies for carbon offset funds and Community Infrastructure Levies. In London, the establishment of borough-level community energy funds has been enabled by carbon offsetting requirements in the London Plan ([see Building Block 4](#)).

Public health and fuel poverty plans

Community energy projects can help local authorities tackle fuel poverty, improve public health and promote social equity by providing affordable energy solutions and supporting vulnerable populations. For example, community energy projects can address fuel poverty and support vulnerable households, integrating energy advice services and interventions that benefit lower-income residents. This can generate benefits in terms of improved health outcomes, particularly for the most vulnerable residents (e.g. those with respiratory conditions).

For example, Devon County Council has an Affordable Warmth Strategy. As part of its work in implementing this strategy, Devon County Council has worked with the district councils in Devon and with local community energy groups to establish '[Energy Saving Devon](#)'.

Community energy plans

Adopting a community energy specific plan or strategy is both a public recognition of the important contribution that community energy groups and initiatives can make to achieving local authority objectives and also an opportunity to set out the actions a local authority will take to support the development of community energy in their area.

Cambridgeshire County Council: Community Energy Action Plan

Cambridgeshire County Council published a Community Energy Action Plan in December 2024. This was developed following a stakeholder consultation on a draft plan, with 82% of responses supporting the adoption of a Council Action Plan and support for the individual proposed actions ranging from 72% to 85%. Comments received were used to clarify and provide more detail on the proposed actions. The Plan sets out 'proposed Council actions to support

communities who want to develop their own clean energy projects, promote domestic energy efficiency in their neighbourhoods and raise awareness of clean energy opportunities’.

For more information, see: www.cambridgeshire.gov.uk/asset-library/Community-Energy-Action-plan.pdf

Building Block 3: Building relationships with existing community energy groups in your area

Building Block	Limited collaboration	Moderate collaboration	Strong collaboration
3. Local authority collaborates and partners with existing community energy organisations	We don't have much contact with community energy groups in our area. Our local authority prefers to deliver services itself rather than do this through partnerships with community energy organisations.	We regularly contact community energy groups in our area (e.g. as part of relevant consultation processes). But we haven't undertaken much partnership work with existing community groups.	We have developed partnerships working with existing community energy groups. We are considering joint funding bids or are already delivering joint projects (e.g. through Innovate UK's Fast Followers programme, DEZNZ funding or other funded programmes). We regularly involve community energy groups in the development of relevant strategies, plans and projects (e.g. net zero plans, climate emergency plans, Local Area Energy Plans).

The three topics discussed in this section are:

- Identifying local groups and projects, and reaching out to CE umbrella organisations
- Building relationships with existing community energy groups

Identifying local groups and projects, and reaching out to CE umbrella organisations

Finding out which community energy groups and initiatives already exist in your area is an essential first step to building a relationship with them. There are a number of community energy 'umbrella' bodies in the Greater South East and nationally that are excellent sources

of information about existing community energy organisations, and community energy initiatives, and also provide guidance, reports and deliver other support services to the community energy sector in their areas. The key 'umbrella' organisations in the Greater South East region and at an England level are:

- **Community Energy South** (CES) has supported the community energy sector in the region, since 2013, helping to create, train and support over 40 community energy groups to develop community-owned renewable infrastructure and provide energy advice to their communities. CES also developed and delivers the Community Energy Pathway programme, that aims to grow the community energy sector by working with local authorities to provide support and services for the development of community-led low-carbon and renewable energy groups and projects across the region. This is explained further in Building Block 4.
- **Community Energy London** (CEL) helps support groups in London to share experience, resources and learning – as well as to inspire new groups and lobby the government to favour community energy. There are two interactive maps on their website. The first is a Community Energy London Projects map, providing information about community energy projects and project types across the Greater London area. The second is a Community Energy London Potential map to help community energy groups find development opportunities and to help policy makers explore the potential of community energy in London. CEL also currently manages the London Community Energy Fund on behalf of the Greater London Authority (GLA).
- **Community Energy England** (CEE) is the voice of the community energy sector in England, helping community energy organisations create and implement new projects by advocating for a policy landscape that will support community energy and providing opportunities for community energy practitioners to connect, learn, share business models and help each other overcome obstacles. The CEE website has an interactive Community Energy England's National map of community energy projects. CEE also produces an annual State of the Sector report, in partnership with Community Energy Scotland and Community Energy Wales.
- **The Energy Learning Network** (ELN) is a national initiative that aims to increase the scale and impact of community energy organisations. It is funded by the National Lottery Communities Fund and delivered jointly by Ashden Climate Solutions, Community Energy England, Community Energy Scotland, Community Energy Wales, Action Renewables and the Centre for Sustainable Energy.

Building relationships with existing community energy groups

There are many reasons for local authorities to build relationships with existing community energy organisations in their areas, such as:

- Exploring how they could collaborate with the Council to deliver energy efficiency advice to residents.
- Involving them in developing council plans and strategies such as community energy plans and Local Area Energy Plans (LAEPs) can lead to more coordinated and effective energy projects that align with broader strategic objectives.
- Exploring opportunities for collaboration on renewable energy generation projects.
- Exploring opportunities to purchase energy from community energy projects.
- Discussing setting up a potential local authority community energy fund (CEF) for the area (see [Building Block 4](#) for more details on CEF).
- Exploring opportunities for partnership bids (see [Building Blocks 5](#) and [6](#) for more details).
- Exploring establishing a community energy network in the area (see [Building Block 4](#) for more details).

Once you have information about the existing community energy groups and have a clear idea of what you would like to discuss with them, the next step is to start the process of engaging with them. Depending on what you would like to discuss, you may decide to meet with individual community energy groups, or with all the community energy groups in a larger meeting. The key thing is to engage with community energy groups where and when appropriate. Some examples of good practice are shown below.

South Downs National Park Authority - Future Energy Landscapes workshops

The South Downs National Park Authority, together with East Hampshire District Council and Winchester City Council, commissioned Energise South Downs, a local community energy organisation, to deliver 10 Future Energy Landscape (FEL) workshops. FEL workshops are a model from the Centre for Sustainable Energy to engage local communities in planning the local energy future. These workshops aimed to discover the types and scale of renewable energy that could meet the needs of local people. Drawing on data and research attendees explored what might be feasible and created space for an informed, balanced conversation about what communities feel is acceptable. The workshops supported communities in understanding the various trade-offs of different renewable energy technologies and helped them consider what mix of these might be appropriate and acceptable to local people and their landscape.

"One of the projects ... is a community energy project where we funded some Future Energy Landscape workshops that they're delivering in communities across the park to get people talking about understanding what community energy might look like in their area. What would the needs be and how might it impact the landscape."

South Downs National Park

For more information, see: <https://esd.energy/events/future-energy-landscapes/>

Local Area Energy Plans (LAEPs)

LAEPs set out what existing energy infrastructure there is in an area and what energy infrastructure and other resources are needed in the future to support the transition to low-carbon energy. A number of local authorities in the GSE region are delivering LAEP processes and have committed to involve community energy groups in developing their LAEPs. The LAEP process provides an opportunity for councils to identify the projects that they and their communities need and want to do, and then to ensure that investment in the local electricity grid and other relevant infrastructure will support these types of projects in relevant locations. Involving community groups in the LAEP process can help CE groups to be more strategic in the projects they try to progress and therefore more successful in delivering low carbon and renewable energy projects.

For example, Oxfordshire County Council has recognised the importance of engaging community energy groups, as one of their key stakeholder groups in ensuring the LAEP incorporates local community-led innovation and reflects community energy plans and aspirations across the county.

For more information, see: <https://smarter.energynetworks.org/media/cjjhjfkq/oxfordshire-county-council.pdf>

Essex County Council - Example of collaboration on a funding bid

Essex County Council (ECC) funded Community Energy South to support the development of community energy groups or projects across the county through their Community Energy Pathways (CEP) programme (see 'Supporting emerging community energy and climate action groups'). Tollesbury Climate Partnership (TCP) were one of the community energy groups supported through the CEP programme ([see Building Block 5 for more details](#)). TCP subsequently led a project to decarbonise a school, involving a number of funding sources including the Public Sector Decarbonisation Scheme (PSDS), ECC and a community share offer run by TCP. TCP and ECC made a joint funding bid by TCP and ECC to PSDS, highlighting the opportunities for collaboration on funding bids to support community energy projects.

For more information, see <https://tollesburyclimate.org/our-groups/energy/>

Bath and North East Somerset Council - Memorandum of Understanding with Bath and West Community Energy

Bath and West Community Energy (BWCE) has a vision “for a local area able to supply decreasing local energy demand with increasing generation from renewable energy, driven by collective action and community ownership.” BWCE was established in 2010 by local people seeking to raise money to install community-owned solar arrays on the roofs of local buildings. Since then, BWCE has played a pioneering role in the development of community-owned renewable energy, not only developing their own projects, but by supporting other community energy groups. They work closely with Bath and North East Somerset Council and there is a cooperation agreement between the two organisations that sets out how the parties will cooperate to deliver a number of shared objectives.

For more information, see [this link](#) and check out www.bwce.coop/

Building Block 4: Supporting the development of local community energy groups

Building Block	Limited collaboration	Moderate collaboration	Strong collaboration
4. Local authority nurtures the community energy sector and supports the evolution of community energy organisations in its area	We don't currently support the evolution of community energy organisations in our area, either because we don't see the need or because we don't have the resources or capacity to do this.	We regularly host network meetings for those involved in community energy organisations in our area, helping them to keep up to date with upcoming funding and partnership opportunities, and encouraging them to learn from each other. We offer some limited support to at least one community energy group (e.g. loaning a thermal imaging camera; or providing office space).	As well as hosting regular community energy network meetings, we also provide further support or funding for several emerging and evolving community energy organisations in our area (either directly providing advice or funding or offering this in other ways – e.g. via staff secondment, providing office space, loaning equipment etc, or via the Pathways programme).

Local authorities can be key enablers in the development of local community energy groups. A number of ways that councils can provide support for this were identified through the research. These topics are covered in turn in this section:

- Providing practical support to community energy groups
- Bringing community energy groups together
- Supporting emerging community energy and climate action groups
- Setting up a community energy fund

Providing practical support to community energy groups

It can sometimes be a real challenge for community energy groups to fund all of their core costs. Local authorities may have resources that can be made available to support community energy groups to survive and thrive. This could be by:

- Providing office accommodation for community energy groups, or spaces for them to meet.
- Loaning or donating equipment, such as a thermal imaging camera.
- Offering free pre-application advice for community energy renewable energy schemes before submitting a planning application.
- Providing officer time to support key tasks of community energy groups, e.g. funding advice.

Lewes District Council - Free use of meeting space for a local group

Lewes District Council has contracted Community Energy South to establish the Lewes Climate and Energy Hub on Lewes High Street, hosting Ovesco and the Lewes Climate Hub. The space is used for public access and also for training, delivering energy advice, talks and meeting space. Ovesco funds free energy advice work via Ouse Valley Climate Action, which benefitted from the National Lottery Climate Action Fund.

For more information, see: www.ovesco.co.uk and [Lewes Climate Hub](#)

Southwark Council - Free pre-application advice for community energy groups

Southwark Council offers free pre-application advice to community energy groups for renewable energy, heat and retrofit projects to help in their preparation of planning applications.

For more information, see [Southwark Council's pre-application advice service page](#)

Bringing community energy groups together

Bringing community energy groups together regularly can be hugely important, as this can facilitate the sharing of experiences and lessons learned, the exchange of information on opportunities, such as funding sources and policy and plan consultations and also signpost to existing sources of information. This peer support can be hugely beneficial to individual community energy groups: reducing their sense of isolation, knowing there are other organisations dealing with similar challenges and learning about ways other groups have addressed these.

Local authorities can play a key role in organising these community networking events. You don't need to be a community energy expert to host a network: the groups can support each other and you can signpost them to available sources of support.

Hampshire County Council - Hampshire Community Energy Network

Hampshire Community Energy Network has been developed with funding support from Hampshire County Council over the last two years to Community Energy South (CES), enabling growth via their Community Energy Pathways programme. This brings together CE groups at different stages and enables them to learn from each other. It has also involved the creation of a knowledge hub for the Network. As part of this work, CES has upskilled existing CE groups, including Energise South Downs to support and train other emerging groups in the area.

This has also been supported through additional Lottery funding obtained by CES to help Energise South Downs and 11 other CE groups across England to transition from being volunteer only to employing 33 paid staff, thereby increasing their delivery capacity.

For more information, see: hampshirecenetwork.org

Supporting emerging community energy and climate action groups

Local authorities can play an important role in supporting the development of emerging community energy and climate action groups. These could be Town and Parish Councils, or informal community groups (e.g. via Community Energy South's Pathways programme or similar initiatives). In the first instance, this could be by raising awareness of the benefits of community energy initiatives.

Councils can also offer training and capacity-building support for community groups, which can empower them to take on energy projects. For example, support could involve providing guidance on setting up community energy businesses, navigating regulatory requirements, and accessing funding opportunities.

Community energy umbrella bodies also offer programmes of support to individual groups. Community Energy South's Pathways are outlined below. Both Community Energy London and the Energy Learning Network currently run peer mentoring schemes.

Community Energy South – Pathways Programme

Community Energy South's Community Energy Pathways (CEP) programme works with a number of local authorities (including Surrey County Council, Essex County Council, Hampshire County Council, Suffolk County Council, Central Bedfordshire Council, South Downs National Park Authority and Luton Council). The councils provide funding for Community Energy South to support and grow the community energy sector in these areas through the CEP programme. One of the key elements of support provided is to develop the skills and tools for community energy groups, including emerging groups, to evolve into established businesses, create local jobs and better serve their local communities.

For more information, see: communityenergysouth.org/pathways

Surrey County Council has established a county-wide community energy group, with support from Community Energy South. Cambridgeshire County Council is also proposing to set up a county-wide community energy cooperative. These county-level groups provide economies of scale for some community energy functions, working with more local community groups.

Establishment of a county-wide community energy organisation – Surrey County Council and Cambridgeshire County Council

With support from Community Energy South, Surrey County Council has supported the development of a county-wide CE organisation: Surrey Community Energy. This is structured as a CBS and aims to raise money via community shares to fund renewable energy projects in the county.

For more information, see: www.surreycommunityenergy.org/

Cambridgeshire County Council's [Community Energy Action Plan](#) includes an action for the Council to help establish a county-wide community energy cooperative, together with volunteers in order to pool expertise to help deliver projects and capture economies of scale.

For more information, see: cambridgeshire.gov.uk/asset-library/Community-Energy-Action-plan.pdf

Setting up a community energy fund

While the Greater South East Net Zero Hub offered funding for project feasibility costs via the government's Community Energy Fund, a number of authorities are establishing their own community energy funds to cover a broader range of community energy costs. The Greater London Authority has led the way with the London Community Energy Fund, supported by Community Energy London (CEL). With encouragement from CEL, several London boroughs (e.g. Camden, Hounslow, Haringey, Hackney, Islington, Lewisham,

Southwark) are now using carbon offset funding to operate their own community energy funds.

Local Authority Community Energy Funds can be designed to not only fund costs associated with the delivery of community energy projects but also to provide some capacity building and community engagement funding for community energy groups.

"We designed the fund so there were four streams in it and this was in response to the requirements of those groups and ours, our own requirements. So the four streams were pre-feasibility, feasibility, capital and capacity building funding."

(Anonymous quote from energy and climate officer at a London borough council)

Community Energy London and Islington Council have jointly produced a [Setting up a Local Authority Community Energy Fund guide](#) to support councils who want to develop their own Community Energy Fund.

Local Community Energy Funds*

** As distinct from the Community Energy Fund previously funded by DESNZ and administered by the Greater South East Net Zero Hub and other Net Zero Hubs.*

The Greater London Authority (GLA) set up the [London Community Energy Fund](#) (LCEF) in 2017 to support the development and delivery of community energy schemes. There have been seven LCEF rounds so far, with Community Energy London (CEL) taking on the management of the Fund for round seven. LCEF has gradually extended to cover a range of CE purposes and now includes some funding for engagement work (e.g. £5,000).

Borough-level community energy funds. Southwark Council made a commitment in their Climate Action Plan to develop a Community Energy Fund. The Council designed the fund in consultation with community energy groups to ensure that it delivered the shared objectives of both the Council and local community energy groups. The fund has four streams, one of which is for capacity building, training, events and engagement, which can fund up to £20,000 per project to empower residents from all backgrounds to take part in community energy projects. For example, organising events to support the development of a new community energy group.

For more information, see: communityenergy.london/wp-content/uploads/2023/01/Setting-up-a-Local-Authority-Community-Energy-Fund.pdf

<https://services.southwark.gov.uk/environment/climate-emergency/get-involved/southwark-community-energy-fund?chapter=2#StreamD>

Building Block 5: Supporting renewable energy, heat and transport activities by community energy groups

Building Block	Limited collaboration	Moderate collaboration	Strong collaboration
5. Local authority supports the delivery of renewable energy, heat or transport projects by community energy organisations	Any renewable energy, heat or transport projects on <u>our buildings or land</u> are generally owned by us and delivered by commercial contractors - either because it's more advantageous to do it ourselves (e.g. less risky, higher return), or because we don't currently have the policy mandate, skills, capacity or resources to support new community energy projects. Similarly, we don't currently support the development of any community energy-owned renewable energy, heat or transport project <u>in the wider community</u>, because we don't see the benefits of this approach or don't have the policy mandate, skills, capacity or resources to support new community energy projects.	We are working with at least one community energy organisation to deliver a renewable energy, heat or transport project on <u>local authority-owned buildings or land</u> (e.g. buying electricity via a Power Purchase Agreement; or installing EV chargepoints). OR We are supporting the development of at least one community energy-owned renewable energy, heat or transport project <u>in the wider community</u> (either directly or via a programme such as Pathways). In either case, the climate change and net zero team is helping the project(s) to navigate the necessary approvals (e.g. planning, legal team, property and estates team, finance team).	We have systematic plans to make some suitable <u>local authority buildings or land</u> available for renewable energy, heat or transport projects owned by community energy organisations because we see wider strategic benefits from these projects being in community hands. And – possibly - we have a procurement framework for the purchase of renewable energy projects, or for the purchase of low carbon electricity and heat, that can realistically be accessed by established community energy groups and that enable them to demonstrate the social value that they offer. OR We offer targeted grant funding for new community energy projects, including renewable energy, heat and transport projects (e.g. via carbon offset or Community Infrastructure Levy) funding (CIL).

The purpose of this Building Block is to help your authority identify ways in which it can better support the delivery of community-led renewable energy and transport projects. Officers and elected members may have initially restricted vision of the ways this support can be provided, based on their limited knowledge of the different ways other local authorities and community energy groups have been successfully collaborating.

People's first thoughts on the support local authorities can often provide focus on grant funding, but in many authorities this is becoming increasingly difficult to offer, given growing budgetary pressures. There are however a number of other ways that authorities can provide support to local renewable energy and transport projects. This section presents some information and examples to reflect on when assessing what your authority could do:

-
- What projects are community energy groups wanting to deliver?
- How can local authorities support the delivery of community renewable energy, heat and transport projects?

What projects are community energy groups wanting to deliver?

In the research undertaken with local authorities for GSENZH community energy groups shared their ambitions, and success stories, about community energy projects. These involve a range of business models across a wide spread of renewable energy and sustainable transport issues.

We have made a preliminary assessment of these various business models, analysing their challenges, and success factors. Local authorities are well-positioned to assist with some key challenges and dependencies:

Business Model	Viability	Opportunity	Key challenges and success criteria
Medium-large scale non-domestic rooftop solar PV	Relatively straightforward	Wide range of potential sites. Check out Community Energy London's Solar Potential map for potential projects in London and Solar PV Guide . Check out Solar for Schools	Requires suitable local sites, buy-in and support from owners/landlords and building managers, can be constrained by planning, grid connections and complex ownership and lease arrangements.
Medium-large scale ground-mounted solar PV and wind turbine projects	More demanding	Potentially offers economies of scale. Public support for community-owned renewables is greater than for commercial projects (YouGov poll published by Common Wealth in January 2025 found that 62% of respondents said they would support a renewable energy project in their area if it was community owned). Scope to reduce energy bills for local people and businesses via local supply (e.g. Energy Local Club). Check out Community Energy England's Onshore Wind: From Idea to Reality presentation and the WeWantWind tool to find potential wind sites.	High upfront costs and potentially more technically challenging however when up and running and be a relatively predictable revenue stream; viability depends on economies of scale and professional management. Requires suitable land, landowner and community buy-in and support. Can be constrained by local grid capacity, buy-in from the local community, and planning considerations.
Shared ownership models for renewable energy technologies	Relatively straightforward	Allows part community ownership within a commercial project. Check out Local Energy Scotland's page on shared ownership .	Can be constrained by planning, can be legally and financially complex and requires professional advice.
EV charge points installations.	Relatively straightforward	Growing demand for EV chargepoints, including in areas poorly served by commercial providers. Check out Community Energy London's EV Charge Points guide .	Can work well if there is already local community-owned renewable energy sources that the charging points can tap into. Requires grid connection, and access to funding (such as the Local Electric Vehicle Infrastructure (LEVI) Fund). Can be constrained by competition from commercial providers.

Business Model	Viability	Opportunity	Key challenges and success criteria
Electric public transport or car clubs schemes.	More demanding	Meet local transport needs, particularly in areas poorly served by mainstream transport options.	Requires local grid capacity, strong demand and support from the community, and access to funding.
Place based or community-wide heating solutions (e.g. heat networks)	More demanding	Opportunity for economies of scale via whole-community solutions. Check out the CommuniHeat project in Barcombe. (The Swaffham Prior Heat Network project was initiated by Swaffham Prior Community Land Trust, but is public-sector funded.)	Complex stakeholder involvement; high development costs; requires a heat source and dense heat demand, and community/local business buy-in.
Anaerobic digestion	More demanding	Synergy with waste reduction initiatives.	Requires source of food or animal waste. Limited by waste licensing and site-specific feasibility.
Connecting renewables to infrastructure	Challenging	Major infrastructure can act as a potential customer for renewable electricity or heat.	Requires engagement with large landowners like National Rail; location-specific feasibility.
Smart energy initiatives (such as peer-to-peer trading and aggregation of flexibility).	Challenging	Opportunity to test innovative approaches with community energy group members who are motivated to pilot new technologies or arrangements.	Technologically complex and innovative; require considerable technical expertise and market insight. Currently constrained by electricity regulations and competition with commercial providers already providing flexibility values to customers. Check out Project LEO's guide to flexibility services .

How can local authorities support the delivery of community renewable energy, heat and transport projects?

In the research undertaken with local authorities for GSENZH, and from our wider observations, local authorities report that they support the delivery work of community renewable energy and transport groups in three main ways:

- Access to assets and services
- Funding support
- Power purchase agreements

Access to assets and services

Making local authority owned or controlled sites (e.g. roofs and land) available for community-owned renewable installations (such as solar PV and wind turbines) has been key to enabling the development and delivery of many highly successful community energy schemes across the Greater South East.

Our research for GSENZH highlighted this model of support as being widespread, particularly through the provision of access to sites such as schools for the installation of solar by community energy groups.

Essex County Council - Solar PV Installed on school by Tollesbury Climate Partnership

Solar PV has been installed at an Essex County Council-owned school through the efforts of the Tollesbury Climate Partnership (TCP). The partnership worked with Essex County Council and the Board of Governors at Tollesbury Primary School to decarbonise the school. This project included installing a 68kW solar PV array to generate electricity for a ground source heat pump, significantly reducing the school's carbon emissions by 90%. The initiative was supported by over £400,000 in grant funding from the Public Sector Decarbonisation Scheme (PSDS) Phase 3b and a £250,000 community share offer. The involvement of the County Council was key to enabling the community energy groups and the school to work together to deliver such an impactful project.

For more information, see: <https://tollesburyclimate.org/tollesbury-school-de-carbonisation/>

Local authorities must navigate complex legal and administrative processes to lease or license their assets, such as schools or council buildings, for community energy use, but this has been successfully achieved at a range of scales. Some authorities, such as Glasgow, are now taking a strategic approach to this, making a proactive offer of sites and leases.

Glasgow City Council - Framework for Community Energy Projects on Council-owned Land

Glasgow City Council has established a framework for community renewable energy projects that includes developing lease agreements for council-owned land. The council intends to offer long-term leases on vacant and derelict land sites to community groups, granting them exclusivity for 12-24 months to conduct feasibility studies and secure necessary approvals before finalizing the lease. A Community Renewable Energy Opportunity Map is also being developed to identify and give details of the sites available in each phase.

For more information, see:

<https://onlineservices.glasgow.gov.uk/councillorsandcommittees/viewSelectedDocument.asp?c=P62AFQDN81Z3NTT1DN>

There are other examples of local authorities leasing land to community energy groups (e.g. Bristol City Council signed a land agreement with Ambition Lawrence Weston for a successful wind turbine development at Lawrence Weston).

Challenges of this support

Our research in the Greater South East highlighted some key issues and solutions that local authorities can experience in getting approval for community-led projects on council owned sites. Legal or financial hurdles could be encountered with sites that had complex management arrangements or that were unlikely to remain in the council portfolio. Several local authorities reported that their colleagues perceived additional risks from community-led projects and would like to see template leases or agreements that had been used successfully by their councils. Some existing resources of this type are presented in Appendix 3.

One approach, suggested by Community Energy London, is for local authorities to identify a certain percentage of sites – or a share in certain sites – that can be progressed in partnership with community energy groups. This will help to give the groups a stable source of income and support their further development going forward.

“And in many instances some of the local authorities have said, oh well we're going to develop that project. Well, you might have 100 opportunities. Why not give 10% off to the community energy group? Because that would help you develop those groups to actually develop projects in their area.”

Community Energy London

Funding support

Local authorities have been using various financial tools to help community energy groups overcome initial financial barriers, thus enabling them to get established. The groups often go on to attract private investment and scale up their projects.

Grants

Providing funding grants to community energy groups helps overcome financial barriers, enabling groups to conduct feasibility studies, design schemes, and implement projects that reduce carbon emissions, lower energy costs, and promote energy security. This approach also generates social benefits by creating jobs, offering training opportunities, and reinvesting project revenues into community programmes.

For example, the London Community Energy Fund has supported initiatives such as South East London Community Energy's solar PV installations in schools and leisure centres in Bromley and Greenwich. Similarly, Hackney Council's Community Energy Fund has awarded nearly £1 million to local projects that generate renewable energy and encourage energy-saving behaviours. Southwark Council has recently established its own community energy fund.

“The five objectives for the fund were: One fund community energy projects that reduce emissions and provide benefit to the community. Two, build the capacity of existing community energy groups and support the creation of new community energy groups in [the borough]. Three, create a pipeline of community energy projects that can proceed with further capital funding. Four, ensure the fund promotes equality, and diversity and delivers social value in a just transition for our residents. And five, ensures the fund works to expand the democratic and cooperative economy within [the borough].”

Energy and climate team, London borough council

Loans

Unlike grants, loans ensure that funds are recycled back into the system, enabling further investment in similar initiatives. This approach helps overcome the upfront cost barriers faced by community groups while fostering financial independence and accountability. It also allows local authorities to support impactful projects without depleting limited budgets, ensuring a continuous flow of capital for decarbonisation efforts.

Lewes District Council – Loan to Ovesco

In 2021, Lewes District Council provided a loan of around £150,000 to the Ouse Valley Energy Services Company (Ovesco) to fund the development of the Ouse Valley Solar Farm. The loan has been repaid to Lewes District Council with interest. The 17MW solar farm is expected to generate enough to power over 4,000 homes.

For more information, see: <https://democracy.lewes-eastbourne.gov.uk/ieDecisionDetails.aspx?AllId=10720> and <https://ovesco.co.uk/ouse-valley-solar-farm/>

Plymouth City Council - Loan to Plymouth Energy Community

Plymouth City Council provided a £500,000 loan to Plymouth Energy Community (PEC) to support the installation of solar panels on 21 schools and community buildings. This low-cost loan enabled PEC to establish itself, undertake feasibility studies, and cover initial costs. The project leveraged this support to raise additional private finance through a community share offer, which raised £602,000 in just six weeks. The initiative not only reduced energy costs and carbon emissions but also reinvested surplus funds into tackling fuel poverty and promoting local renewable energy ownership.

For more information, see: <https://plymouthenergycommunity.com/projects/our-first-solar-share-offer>

Oxford City Council - Loan to the Low Carbon Hub

Oxford City Council provided a £2.3 million short-term loan facility to the Low Carbon Hub to enable the construction of renewable energy projects, including solar PV installations on schools in Oxfordshire. The loan was structured to be repaid with interest following the completion of a community share issue. This revolving facility allowed the Low Carbon Hub to fund projects upfront without waiting for equity capital, ensuring timely delivery and scalability of renewable energy initiatives.

www.lowcarbonhub.org/p/oxford-city-council-agrees-new-loan-of-2-3m-to-support-growth-of-community-energy-in-oxfordshire/

“We're lucky in that we have a large number of highly motivated, highly skilled community energy groups with lots of experience and knowledge. So we absolutely have to utilise that.”

(Anonymous quote from energy and climate team at a county council)

Municipal investments

Local authorities can also support community energy projects through financial mechanisms such as Community Municipal Investments, which often involve crowdfunding to issue climate bonds for net zero infrastructure projects.

West Berkshire Council - UK's First Community Municipal Investment

West Berkshire Council launched the UK's first Community Municipal Investment (CMI), also known as a 'climate bond', in July 2020. This innovative financial mechanism allowed residents and community groups to invest directly in local green projects aligned with the council's Environment Strategy, which aims to make the district carbon neutral by 2030.

The bond successfully raised £1m by October 2020 from 640 investors nationwide, with a minimum investment of £5. Notably, 23% of the total investment came from West Berkshire residents, who invested more than twice as much on average as non-residents.

The bond provided a borrowing rate approximately 0.5% lower than traditional sources like the Public Works Loan Board (PWLb), saving the council around £15,000 in borrowing costs.

The funds were used to support several environmentally focused projects, including solar PV installations. £520,000 was allocated to install solar panels on council facilities such as schools, care facilities, and offices. These installations generate renewable energy and reduce carbon emissions.

For more information, see: www.uk100.org/projects/knowledgehub/west-berkshire-climate-change-bond

Power Purchase Agreements

A **Direct Power Purchase Agreement (PPA)** is a contractual agreement where a local authority (or other buyer) directly purchases electricity from a renewable energy generator, such as a community solar or wind project.

Lake District National Park Authority - PPA with Community Energy Cumbria

A Direct PPA was set up in 2016 between Community Energy Cumbria Ltd (CEC) and the Lake District National Park Authority (LDNPA). LDNPA's head office in Kendal has a 30kw solar photo voltaic array on the roof (107 panels), owned by Community Energy Cumbria. 98% of the investment came from members of the community living in Cumbria. Power is used by LDNPA, reducing CO₂ emissions by nearly 10 tonnes per annum for at least the next 20 years. A lease has been drawn up between CEC and the LDNPA which limits both party's exposure to risk. This comprehensive lease covers matters including access, the purchase price of the electricity and a series of opt-out clauses should the LDNPA sell or lease the building during the period of the project.

For more information, see: www.lakedistrict.gov.uk/aboutus/media-centre/latest-news/news-releases/pioneering-solar-project-marks-new-era-for-national-park

A **Virtual Power Purchase Agreement** (sometimes called a 'Synthetic PPA') is a financial contract rather than a physical delivery mechanism. The local authority agrees to pay a fixed price for renewable energy generated by a project, but the electricity itself is sold into the wholesale market.

VPPAs potentially can offer some advantages over direct PPAs because they do not have to be procured and they can provide long-term price hedge. And the renewable development does not need to be located close to the user.

Some key distinctions between the two PPA mechanisms when used by local authorities to purchase community energy power are:

	Direct PPA	Virtual PPA
Procurement	Procure electricity supply contract.	Financial agreement only – normal electricity procurement rules do not apply.
Delivery	Physical delivery of electricity.	Financial transaction only.
Infrastructure	May require a private wire or grid connection.	No physical infrastructure needed.
Environmental Benefits	Directly supports local renewables.	Supports renewables via Renewable Energy Certificates.
Price Stability	Fixed price for delivered power.	If the electricity market price is lower than the agreed 'strike price', the buyer pays the producer the difference. But if the electricity market price is higher than the agreed 'strike price', then the producer pays the buyer the difference. This means that the producer is guaranteed a fixed price for the electricity.
Flexibility	Limited to local generation.	Can support projects anywhere.

Plymouth Energy Community have investigated the feasibility of Virtual PPA arrangements, while Bristol City Council has developed a Synthetic PPA Toolkit for Local Authorities.

Building Block 6: Supporting energy demand reduction activities by community energy groups

Building Blocks	Limited collaboration	Moderate collaboration	Strong collaboration
6. Local authority supports the delivery of energy advice, retrofit, fuel poverty or other services by community energy organisations	We don't currently procure any energy advice, retrofit or fuel poverty services from community energy and climate action organisations in our area. We may have some awareness that they have skills and experience on these topics that would be useful to us.	We are aware the local community energy and climate action groups have skills that can be useful to us. We sometimes reach out to a local community energy group for advice on energy efficiency, fuel poverty, retrofit or other services or sometimes ask informally for their help in promoting these types of council services to residents.	We currently procure, or have procured, energy advice, fuel poverty, retrofit or other services from established community energy and climate action organisations in our area, or we partner with them on externally funded programmes. We see them as offering skills and experience relevant to our service delivery.

The purpose of this Building Block is to encourage local authority officers and members to work with local community energy groups on energy demand reduction initiatives, in addition to the renewable generation projects outlined in Building Block 5. While some local authorities are already working closely with community energy groups in this area, others don't necessarily realise how much community energy groups can contribute.

Community Energy South's Pathways programme uses the term 'Powering Down' for this type of initiative. They see energy efficiency and energy champion activities, focused primarily on domestic households, as an essential part of the community energy portfolio. These types of activities can be simpler for smaller and newer community energy groups to tackle because they involve less capital investment and fewer approval hurdles than the types of projects outlined in [Building Block 5](#).

However, these services involve customer facing work, potentially with vulnerable households, so they must be carefully designed and delivered. While groups offering these services need access

to the right skills and need to follow quality and customer care procedures, there are many examples of community energy groups delivering these services successfully.

What energy demand reduction activities are community energy groups wanting to deliver?

The catch-all term of 'energy demand reduction', or 'Powering Down', covers quite a wide range of types of activity, from 'energy champion' work through to retrofit assessments or delivery of major retrofit measures. This work can apply to domestic and non-domestic settings.

- Energy champion work (signposting)
- Simple, low-cost measures (e.g. draught proofing)
- Advice delivery (energy efficiency and fuel poverty).
- Home surveys and retrofit assessments.
- Delivery of retrofit measures (and possible heat pumps).

When considering energy demand reduction work by community energy groups, it's important to:

- **Think about the skill levels and training required** (from communications and customer skills for energy champions who are doing outreach work and signposting people to sources of advice and help to both technical, communication and customer care skills for those providing energy advice, surveys or delivering measures).
- **Think about the target group.** There's a big difference between a funded service for vulnerable, fuel-poor customers (aiming to reduce their bills and increase comfort and welfare, which may not save any carbon) and a paid-for service for 'self-funded' customers (where the objective is both to save carbon and save money on future bills).

Community energy groups can also have a role to play in the decarbonisation of community, commercial and public buildings through the provision of consultancy, access to funding, project management support, surveys and sometimes actual installations. This type of work, especially when installing measures, requires a higher level of technical competency than the provision of advice services to domestic users of energy. Non-domestic buildings can come with complex characteristics, and ownership and lease arrangements to navigate.

Low Carbon Hub – Energy Solutions Oxfordshire (ESOx)

Low Carbon Hub's Energy Solution Oxfordshire (ESOx) project helps SMEs to identify and make energy efficiency improvements. ESOx provides a free 'Workplace Energy Efficiency Checklist'. If an organisation is ready to take further action, the highly experienced ESOx team can then offer a comprehensive 'Workplace Energy Efficiency Assessment'. This examines current energy use, identifies potential energy-saving changes and presents a cost-benefit

analysis of potential actions. ESOx also offers ongoing support for actions arising from the assessment.

ESOx was developed with government funding through a collaboration between the Energy Pro group, Low Carbon Hub and Oxford Brookes University, but delivery is now supported by Oxfordshire County Council and Cherwell District Council (with the latter being funded via the UK Shared Prosperity Fund). ESOx is delivered by Low Carbon Hub in partnership with the Environmental Information Exchange and Oxford Brookes University.

As shown in the examples below, community energy groups across the UK deliver services across this spectrum. With the exception of innovative work with 'able-to-pay' customers, most of these services require some external subsidy or funding. But it may be possible to source funding from regeneration, health or social service sources (e.g. Shared Prosperity Funding; just transition funding) given the links between energy efficiency and retrofit and wider objectives such as green jobs, economic development and public health.

Plymouth Energy Community - Home upgrades

Plymouth Energy Community is a well-known community energy group which was established with extensive support from Plymouth City Council. PEC offers fuel poverty services and grant-funded retrofit services as well as the 'Future Fit' programme for able-to-pay households. Last year, PEC delivered £1.6 million of home upgrades, with households receiving grant support of £7,000 on average. Estimated annual savings were £455 per household, and 73% of grant spending was within the local economy.

For more information, see: <https://plymouthenergycommunity.com/pec-in-action/home-upgrades>

People Powered Retrofit - Retrofit for able to pay households

People Powered Retrofit is a not-for-profit community benefit society based in Manchester, started by the community energy group Carbon Coop. They offer a retrofit planning service to households that are able to pay for energy advice and retrofit measures. This involves a 'home retrofit survey' by an expert retrofit coordinator which provides detailed, trusted guidance on each household's potential low-carbon pathway. The programme also works with tradespeople to develop the local retrofit supply chain. Where a household decides to proceed with retrofit measures, People Powered Retrofit can signpost them towards finance or funding offers and refer them to trusted tradespeople from their installer list. They also offer a design service that includes standard specifications and options for site visits to deliver Quality Assurance.

For more information, see: www.retrofit.coop

How can local authorities support delivery of community energy demand reduction projects?

In the research undertaken with local authorities for GSENZH, and from our wider observations, there are three main ways that local authorities can encourage and support community energy groups to support energy demand reduction activities. These topics are covered below:

- Supporting and upskilling
- Funding and commissioning
- Joint bidding and partnerships

Supporting and upskilling

Our research found that local authorities can play a key role in supporting the development of energy reduction activities by emerging community energy groups. You can provide support in relatively low-cost ways such as:

- Running training for energy champions in the community (e.g. representatives from residents' associations or neighbourhood groups, possibly in partnership with social housing providers).
- Supporting community energy groups to get further training for one or more individuals (e.g. as domestic energy assessors or retrofit coordinators).
- Putting newer groups in touch with more experienced community energy groups in your area, for advice and mentoring on energy demand reduction activities. Mutual support and mentoring tend to work well in the community energy sector because groups are generally local and willing to cooperate with neighbouring groups. Modest payments for mentoring time can help existing groups provide assistance to newer groups.
- Lending a thermal imaging camera to one or more community energy groups, so that they can use an imaging service to help households see the priorities.
- Lending use of a meeting room for 'energy cafes' or energy advice sessions.
- Helping to publicise energy champion or energy advice services run by local groups (e.g. in council newsletters or on the website).
- Linking up these services with retrofit services and funding programmes run by partners or by the council itself (e.g. via the Warm Homes programme).

Community Energy South - Powering down via Pathways and Communipower

Community Energy South's Pathways programme encourages emerging community energy groups to get involved in 'Powering Down' services, such as energy champion programmes and energy advice. Funded by the local authority, Pathways provides training and support to build the capacity and knowledge of community energy group staff and volunteers, and to get them started in providing these services. CES was successful in winning further national government funding for energy champion and energy advice activities delivered by Ovesco and Saffron Walden Community Energy via the CommuniPower project, as part of the Local Energy Advice Demonstrator programme (LEAD).

For more information, see: <https://communityenergysouth.org/communipower/>

Brighton and Hove Energy Services Coop (BHESCO) - Providing training and mentoring on Energy Advice Services

BHESCO undertakes fuel poverty work on behalf of the local authority, delivering £2.85 for every £1 invested. It has completed programmes for retrofits at scale, developing invaluable knowledge and skills to optimise customer engagement, design, supply chain and technology. They offer a turn-key service helping landlords and tenants decarbonise their properties by removing the barriers to the uptake of energy savings measures. They mentor other organisations, including a London-based CE group seeking to branch out to energy demand reduction services, by advising on their business model.

Local authorities can also provide more extensive support for energy demand reduction activities, as suggested in the next two steps below.

Funding and commissioning

Many community energy advice and retrofit services are funded by public health and social services teams within local authorities, as part of support work for vulnerable residents. Delivering services for local authorities can contribute to income security for community energy groups. For example, groups can be funded by local authorities or social care partnerships to provide energy efficiency or fuel poverty advice to vulnerable people within the community.

By way of illustration, SELCE has delivered several fuel poverty programmes for London Boroughs, while Exeter Community Energy runs a home visit programme on behalf of the Local Energy Advice Partnership, funded by local authorities and health service providers in Devon (see examples below). Both Plymouth Community Energy and Carbon Coop offer extensive energy advice and retrofit services, including services for households that are 'able to pay'.

Local authorities can also signpost community energy groups to other sources of funding for energy efficiency and fuel poverty work (e.g. funding from DESNZ, Distribution Network Operators, Gas Distribution Network operators or from the [Energy Redress](#) scheme). Community Energy England's [funding page](#) provides a good overview of funding opportunities.

Community Energy Colchester - Expertise in energy efficiency

Community Energy Colchester is one of four community energy groups established in Essex with support from the Pathways programme (see [Building Block 4](#)). CE Colchester now specialises in providing energy advice and retrofit services. Colchester City Council are aware of the group's expertise: they involve experts from this CE group when running home energy advice sessions and workshops.

For more information, see: www.communityenergycolchester.co.uk/

South East London Community Energy (SELCE) - Energy advice service

SELCE is committed to helping people who struggle to pay their energy bills and put food on the table. They work in partnership with local community organisations and local authorities who have pre-existing programmes serving those at risk of fuel poverty (including those who are digitally and linguistically excluded and those who are vulnerable to the cold/heat). Their energy advice service provides tangible support through 1:1 advice over the phone, drop-in at energy cafes, and home visits as well as through talks and workshops. SELCE report that they have provided training or support to well over 4,000 individuals and homes, resulting in over £100,000 in savings for households and businesses and many tonnes of CO₂ emissions reduced. www.selce.org.uk/community/partners

For more information, see: <https://selce.org.uk/energy-advice/>

ECOE Advice - Healthy homes for wellbeing

Exeter CE's team of Home Energy Advisers provide practical energy advice and support to people living in Exeter and surrounding parts of Devon. The service aims to help residents save money, stay warm in their homes and reduce carbon emissions. Residents can self-refer to the service or be referred by health, social or community services, or attend a drop-in session located at around 40 local venues each month.

For more information, see: <https://ecoeadvice.org.uk>

This free service for those on benefits, low income or with health vulnerabilities is provided by ECOE Advice in partnership with the local authorities in Devon and the Local Energy Advice Partnership (LEAP).

Local authorities support ECOE Advice through grant funding to deliver advice in the community including Home Visits, community outreach and practical measures to improve energy efficiency.

LEAP partners with 127 local authorities and councils serving 70% of the UK population. LEAP is funded by energy suppliers through their Warm Home Discount obligation.

For more information, see: <https://applyforleap.org.uk/how-leap-works/>

Joint bidding and partnerships

Many local authorities are currently facing tight financial constraints. Where it's not feasible for a local authority to fund or commission a community energy group to provide energy demand reduction services, the local authority can still partner with community energy groups to proactively seek funding for retrofit activities. Examples of joint bidding and partnership projects are given below.

Surrey County Council and Zero Carbon Guildford - the Home Energy Advice Team

Having established links with Zero Carbon Guildford, Surrey County Council partnered with this community energy organisation and with the commercial organisation 'Furbnow' to bid for government funding from the Local Energy Advice Demonstrator (LEAD) programme. The LEAD project is called the 'Home Energy Advice Team' which involves collaboration between the County and Zero Carbon Guildford, a community energy group. The project involves the establishment of a One Stop Shop for energy advice (provided by Furbnow, a commercial provider), with thermal imaging surveys, quick remedial measures and householder reports being delivered by Zero Carbon Guildford. The council and community group both benefit from the partnership:

"That's a good example of where we wouldn't have been able to get the money without teaming up between council and community group. [This was] because one had to bid for it but wouldn't have been able to deliver it, whereas the other one could deliver but couldn't bid" (interview)

For more information, see: www.surreycc.gov.uk/community/climate-change/residents/support-for-residents/home-energy-advice-team

Three Rivers District Council - Advancing retrofit to drive net zero

Three Rivers District Council were successful in partnering with Grand Union Community Energy and the National Energy Foundation to win funding for a retrofit acceleration project from Innovate UK's Fast Followers. One strand of the project will focus on furthering progress towards a carbon-neutral District by 2045 by addressing the 28% of District emissions arising from home energy use through energy-saving home retrofits. This project will create a pioneering "Retrofit One Stop Shop" service delivered by an independent charity, the National Energy Foundation. The service will offer free, expert, and bespoke retrofit advice to residents, develop a trusted local retrofit supplier network, and identify innovative funding solutions for residents who are not eligible for funding under current Government grant schemes.

GUCE will support this project by inspiring community engagement with retrofit and other sustainability improvements such as water conservation, waste reduction and biodiversity enhancements, throughout the District.

In parallel with this project, Three Rivers DC has also won funding from the MCS Foundation for LARA, the Local Area Retrofit Accelerator. The LARA initiative aims to develop a bespoke retrofit accelerator plan for the area, which may potentially also involve community energy groups.

The programme will comprise a two-pronged approach to accelerating retrofit locally which will deliver economic, health and wellbeing and environmental co-benefits.

What next?

In 2024, the UK Government announced plans to deliver the Local Power Plan with support from GB Energy. The [GB Energy Founding Statement](#) explains that the intention is to "*roll out small and medium-scale renewable energy projects, using established technologies, to develop up to 8 GW of cheaper, cleaner power*" by funding and partnering with community energy groups, and local and combined authorities.

This has the potential to transform, or as [Community Energy England](#) describes it, to '*turbocharge*' the community energy sector in the UK. This guide provides information and case studies to help inform your local authority about the actions you can take to support closer collaboration with community energy groups, which will help to deliver your own strategic objectives and position the sector in your local area, to take advantage of future opportunities.

The Greater South East Net Zero Hub supports the development and enables the financing of local net zero projects by bringing forward business cases that can attract investment in energy infrastructure.

Community energy groups and initiatives have a key role to play in the Greater South East region's net zero transition. The Hub will continue to work with Local Enterprise Partnership areas (LEPs) and other organisations in the Greater South East region to support the development of the community energy sector.

The Greater South East Net Zero Hub hopes that the Local Authority-Community Energy Collaboration Assessment will help local authorities (both within and beyond the Greater South East region) to assess where they stand vis a vis community energy and think about what more they can do, consistent with their local priorities, opportunities and constraints, in the light of these upcoming policy changes.

Appendix 1 - Methodology

The guidance presented in this document is based on research undertaken by CAG Consultants, in partnership with the Centre for Sustainable Energy, in the period August 2024 to February 2025. The four research tasks are described below.

Task 1: Desk review - building on existing knowledge and learning

The purpose of the desk review was to identify resources already available to local authorities, as well as gather information to inform other local authority-related tasks requested by GSENGH (e.g. development of a maturity assessment, development of business model assessment, and development of resources and guidance for local authorities on how best to support community energy).

We identified a long list of relevant resources through liaison with GSENGH as well as consultation with community energy support organisations and posting on Community Energy England's Loomio platform. Resources were prioritised according to their relevance to the specific research questions being considered, encompassing both Work Package 1 (WP1) (local authority) and Work Package 2 (WP2) (community energy) topics. These topics were:

- Examples of different models for local authority and community energy collaboration (including potential case studies), and insights into how LAs can best work with and support the community energy sector
- Insights into (and case studies demonstrating) the strategic opportunities that the community energy sector can offer to local authorities in relation to Net Zero and other strategic objectives
- Examples of resources and programmes already available to local authorities to help them support and develop the community energy sector in their area
- Insights into how to assess the maturity of local authority support for the community energy sector - e.g. what factors to look for (to inform the maturity assessment methodology)

- Insights about the level of maturity of local authority support for the community energy sector in different parts of the GSE region (to inform the application of the maturity assessment)
- Insights into (and case studies demonstrating) the viability of different community energy/local energy business models (to inform the viability assessment)
- Insights relevant to CSE's parallel work for GSENGH on community energy governance.

Over 30 documents and resources were reviewed in detail by the CAG team, including:

1. Community Energy Support in the North East and Yorkshire Region: where is it now? (May 2023, Community Energy South).
2. Community Energy Support in the North East and Yorkshire Region: how can it move forward? (May 2023, Community Energy South)
3. Cambridgeshire County Council - Community Energy Action Plan - draft for stakeholder comment (July 2024)
4. RCEF evaluation from North East and Yorkshire region
5. RCEF case studies from the Midlands region
6. Community Energy England response to DESNZ consultation on 'barriers to community energy' (2024)
7. Labour manifesto documents re shared ownership of renewable energy (via GB Energy and the Local Power Plan) (2024)
8. local authority support for community energy – strategic briefing prepared by CAG for the LGA (2024)
9. Enabling Community Energy in the North East of England – study by CSE for the NE LEP et al
10. Next Generation Phase 3 innovation report – re viability of different CE business models
11. Review of recent share and bond issues on the Ethex platform – re business models being put out as share/bond offers
12. PPA Template Agreement from Next Generation resources page
13. Case study of Lake District NP PPA with Cumbria CE
14. Case study of Stony Stratford Parish Council PPA with Wolverton Community Energy
15. Synthetic PPA Toolkit for Local authorities, prepared by Bristol City Council and Devon County Council
16. Case study of match funding (Tollesbury Climate Partnership)
17. Case study of access to local authority land (Glasgow City Council framework for community renewable energy projects)
18. Case study of access to local authority land (Bristol City Council)
19. Case study of Ripple (part ownership model for renewable assets)
20. Community Energy Pathways programme documents (various)
21. Policy briefing for DESNZ – Local Energy Capacity Support (Community Energy South)
22. Community Energy in the South West – prepared by Community Energy South for the South West Net Zero Hub (2024)

23. London Community Energy Fund programme documents (various)
24. Essex Community Energy Strategy and Action Plan
25. London Assembly Environment Committee Report on Community Energy in London (2024)
26. Community Energy London response to DESNZ consultation on 'barriers to community energy' (2024)
27. Community Energy: A local authority perspective - resource prepared by Community Energy England (addendum to 2017 State of the Sector report)
28. Bristol Energy Network's guide on collaboration with Bristol City Council
29. Community Energy Policy Paper 23, prepared by the Next Generation evaluation team for Power to Change
30. Net Zero Go resources for local authorities on net zero (various)
31. LGA sustainability briefing: Community Energy – prepared by CAG for LGA (2024)
32. NAVCA website: resources for community and voluntary organisations

The findings from the desk review have informed the guidance set out in this document.

Task 2: Consultation with local authorities and other stakeholders

The purpose of consulting with local authorities was to find out how far they currently support community energy, how their relationship with community energy had developed, what strategic benefits they perceive from this collaboration, how they experience working with community energy groups in practice, what sources of information/guidance and support they used on community energy issues and what would help them to support the community energy sector more fully in future. We also asked for their opinions on the viability of different community energy business models, where interviewees were informed about this.

Recruitment of local authority interviewees was challenging, but with support from GSENGH, in-depth interviews were completed with 18 local authorities across London and the South East. The interviews were targeted primarily at county councils, because of their wide coverage of the GSE region, but a small number of unitary and district/borough councils were also included. Many of these interviews involved more than one representative from the local authority, and in one case there were two separate interviews with different representatives from one authority, bringing the total number of local authority interviews to 19.

In addition, CAG attended three online networking events, run by Essex County Council, Oxfordshire County Council and Kent County Council. These allowed consultations with an estimated 10 further second-tier local authorities on a subset of the interview questions (i.e. what support were they giving to community energy groups; what sources of support/information they found most useful in their work with community energy groups; and what would help local authorities to support/grow the community energy sector in future). This brought the total number of local authorities consulted to 28.

CAG also interviewed 7 wider stakeholders, comprising two DNOs, one large landowner, three community energy support organisations and one expert adviser to GSE Net Zero Hub. Again, multiple interviewees were involved in several of these interviews. Two of the community energy support organisations were interviewed jointly by CAG and CSE so that the interviews could cover topics relevant to both WP1 and WP2.

Engagement with large landowners such as infrastructure organisations was very challenging: only one out of eight landowners approached agreed to speak to the research team, and this was a relatively brief discussion lasting less than 30 minutes. The findings from this discussion suggest that large landowners do not necessarily understand the benefits that community energy can offer them, in terms of social value, and may primarily focus on commercial aspects of renewable energy development.

Task 3: Develop maturity assessment (i.e. LACE Collaboration Assessment)

Findings from Tasks 1 and 2 were used to develop a draft maturity assessment. This was discussed with the Sounding Board (consisting of Community Energy England, Community Energy South, Community Energy London and the Energy Learning Network). It was also discussed with the Local Government Association and London Councils, and – on their advice – was renamed as the 'Local Authority-Community Energy (LACE) Collaboration Assessment'.

The detailed LACE Collaboration Assessment matrix was reviewed by GSENZ, the Local Government Association, London Councils and the CEI Sounding Board, and revised in response to comments.

The LACE Collaboration Assessment is non-prescriptive and sets out six 'Building Blocks' through which local authorities can collaborate with community groups on energy and climate matters, to achieve net zero, just transition and wider strategic goals.

The LACE Collaboration Assessment is here presented as a self-assessment tool for use by local authorities.

Task 4: Application of LACE Collaboration Assessment

A preliminary assessment of first tier local authorities in the Greater South East has been developed by CAG for GSENZH's internal use, to help focus support for local authorities across the region. These preliminary assessments are based on information gathered in Task 2, supplemented by a survey of unitary authorities in the South East that were not interviewed during Task 2. The findings have been cross-checked with the relevant local authorities, and will not be published more widely.

Task 5: Development of guidance for local authorities

This guidance builds on the findings from earlier tasks. On the advice of the Local Government Association and London Councils, guidance is structured around the 'Building Blocks' in the LACE Collaboration Assessment, so that local authority readers can access ideas and good practice examples to help them take the next step in their work on community energy. The guidance has been reviewed by the Sounding Board, including the LGA, London Councils and community energy support groups.

Appendix 2 – Worked example of LACE collaboration assessment

For example, an imaginary local authority (Barsetshire County Council) might assess its current collaboration with community energy groups as shown on the following pages:

Building blocks	Current level of collaboration	Ideas from the next level up
1. Local authority has a good understanding of community energy and what it can deliver to the authority	Moderate: our climate change team has a good understanding of community energy, but the public health and economic development teams don't have much understanding of how community energy could help them, and the legal, finance, estates, and procurement teams see community-led energy projects as risky.	The climate change team could act as internal advocates to explain the strategic benefits of climate change to colleagues in the public health, and economic development teams, and to colleagues in legal, finance, estates and procurement.
2. Local authority has explicit policies and plans that support community energy	Moderate: community energy is mentioned in our council's net zero strategy.	Consider strengthening references to community energy in the next iteration of the strategy, and in other relevant strategies and plans. Make presentations to portfolio holders and council decision-makers to increase buy-in to these strategies.
3. Local authority collaborates and partners with existing community energy organisations	Moderate: our climate change team is in contact with a few local community energy groups and has involved them in developing our Climate Change Plan. The council is considering developing an LAEP but hasn't yet committed to this.	If the LAEP process goes ahead, then involve existing CE groups in this process. Discuss potential partnerships working with existing groups (including projects under Building Blocks 5 and 6).
4. Local authority nurtures the community energy sector and supports the evolution of community energy organisations in its area	Limited: we don't currently provide support to emerging community energy groups. (But we might in future.)	Start by establishing a network of existing community energy and climate action groups, so that they can learn from and support each other.
5. Local authority supports the delivery of	Limited: one local group tried to progress a project involving solar PV on a council-owned school but this project ran into	Sit down with local community energy groups, and with internal colleagues, to try to identify a few suitable sites for community-owned solar PV or EV projects on council-owned or community-owned

Building blocks	Current level of collaboration	Ideas from the next level up
renewable energy, heat or transport projects by community energy organisations	problems and we haven't tried again. The relevant officer left and hasn't been replaced.	buildings. Seek advice from an expert group (e.g. expert CE group, or CEE, CEL, CES) on the suitability of these sites.
6. Local authority supports the delivery of energy advice, retrofit, fuel poverty or other services by community energy organisations	Limited: we haven't discussed this type of work with our local community energy groups and don't know their capabilities in this area.	Discuss with local community energy and climate action groups whether they have an interest in these activities, and whether they have (or would be interested to develop) skills as energy champions, referring residents to existing advice services. Work with the public health team to develop potential funding bids in partnership with interested local groups, with expert advice if needed.

Appendix 3 – Further guidance and resources

General guidance on community energy

Community Energy England's website – essential source of information and resources on the community energy sector

Community Energy England (2024) State of the sector report

Energy Learning Network: the social, economic and environmental value of a community energy approach (publication expected Spring 2025)

Power to Change (2023), The role of community energy in a just transition to net zero (Community Energy Policy Paper 23)

Devon County Council (2021), Socio-economic benefits of community energy

Guidance on collaboration between local authorities and community energy groups

LGA (2024), Strategic Briefing - Local Authority support for community energy

Bristol Energy Network (2019) Community Energy Toolkit for community groups and local authorities

Community Energy South et al (2023), Community Energy Support in the North East and Yorkshire Region: where is it now?

Community Energy South et al (2023) Community Energy Support in the North East and Yorkshire Region: how can it move forward?

Community Energy South et al (2024) Community Energy in the South West – prepared for the South West Net Zero Hub

Centre for Sustainable Energy et al (2023), Enabling Community Energy in the North East of England – prepared for NE LEP

Cambridgeshire County Council (2025), Community Energy Action Plan

Community Energy (2017),: A local authority perspective (addendum to 2017 State of the Sector report)

Net Zero Go – resources on community energy, made available to Net Zero Go members by Energy Systems Catapult

Practical guidance and templates for project delivery

The Loomio platform, accessible to members of Community Energy England, provides a platform for quick responses on practical questions from CE groups and other stakeholders

Community Energy London (2023), Step by Step Guide for community energy projects (general)

Community Energy London (2023), Publications include technology specific guides:

- Retrofitting Heat Pumps In london’s Community, Arts and Leisure Buildings (2023)
- Energy Advice Guidance (2023)
- Air Source Heat Pumps Guidance (2023)
- LED Llghting Retrofit Guidance (2023)
- Solar PV Guidance (2023)
- EV Charge Points Guidance (2023)

Devon County Council, with Foot Anstey and Climate Positive (2015), Community Energy Legal Toolkits for:

- Hydropower
- Roof mounted Solar PV
- Ground mounted Solar PV
- Wind Power

Power to Change, Resources page of the Next Generation website (2022). This includes a wide range of templates and sample documents/spreadsheets developed by Next Generation projects including:

- Financial models (various)
- PPA Template Agreement (Plymouth Energy Community)
- Sample lease for rooftop solar on rented properties (Lockleaze Loves Solar)
- Code of conduct for solar PV installation (Lockleaze Loves Solar)
- Framework installation agreement for solar PV (Lockleaze Loves Solar)

- ESCO advice note for new energy-efficient housing (Plymouth Energy Community)
- EPC templates (Plymouth Energy Community)
- Sample heat supply agreements (Plymouth Energy Community, CREW Energy)
- LED calculation spreadsheet (Chester Community Energy)
- EV chargepoint lease and licence (Brighton Energy Coop)
- Flexibility toolkit (Bath and West Community Energy)
- Council lease template, for lease of charger land (Nadder Community Energy)
- Starting an EV car club (Nadder Community Energy)
- Energy Data Coop (Carbon Coop)

Bristol City Council, with the South West Net Zero Hub (2021), Synthetic PPA Toolkit for Local Authorities

Community Energy London, with Islington Council (2023), Setting up a Local Authority Community Energy Fund

Centre for Sustainable Energy

St James Court, St James Parade, Bristol BS1 3LH

www.cse.org.uk

Charity 298740 | Company 02219673

