



Community
Energy
England

Benefits of community shared ownership: *the developer's perspective*

An Energy Learning Network report



Energy Learning Network
Rhwydwaith Addysg Ynni



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This report was researched and written by Katy Barney.

The Energy Learning Network

The network is a collaboration between climate solutions charity Ashden, the Centre for Sustainable Energy, and leading community energy bodies in every UK nation: Community Energy England, Community Energy Scotland, Community Energy Wales, and Northern Ireland's Action Renewables.



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For further information visit:

www.ashden.org/energy-learning-network

Introduction

Benefits of shared ownership: the developer's perspective

Shared ownership, through which communities take a stake in a commercially owned renewable energy asset, has been recognised by the UK government as a driver of financial, social and economic value to communities and key to growing the community energy sector.

This recognition dates back over a decade with the coalition government commissioning a Shared Ownership Taskforce. This resulted in shared ownership provisions in the Infrastructure Act (2015), which are yet to be enacted through secondary legislation. The devolved governments in Scotland and Wales echoed and strengthened the calls for greater community ownership with targets and guidance. Nevertheless, examples of shared ownership remain limited, driven forward on a voluntary basis by developers, communities and partner organisations.

Now, there is an opportunity to strengthen the policy framework surrounding shared ownership and deliver on the ambition, set out in the Clean Power 2030 Action Plan, of achieving up to 8GW of local and community owned energy by 2030 at least in part through shared ownership.

For communities, shared ownership provides a real stake in a local energy project, a long-term relationship with the developer and access to stable income above that provided by community benefit payments as they stand. Early examples such as the Isle of Skye Renewables Co-op, which has generated over £1.5m in community benefits through community ownership, show the potential.

This research highlights that benefits for developers are tangible too, and include:

- Community support and enhanced credibility
- Planning benefits
- Reduced cost and risk on future projects

These, along with additional insights on the future of shared ownership, are covered in more detail in the following sections.

About this research

- Community Energy England spoke to ten individuals with direct experience of shared ownership, primarily representing commercial developers but also funders and consultants, as well as two European energy organisations with experience of community ownership.
- The projects the developers have engaged in include projects in England, Wales and Scotland, and reflect a range of models of shared ownership, stages of development and technologies (primarily onshore wind, solar and battery energy storage).
- Interviews were carried out in June and July 2026.

Benefit 1

Community support and enhanced credibility

Several developers discussed how exploring a shared ownership model fostered more positive and proactive engagement with the local community. They highlighted that, when paired with a clear commitment to community engagement throughout development, the shared ownership discussions built greater trust between the developer and the community and strengthened their organisational credibility.

Local partners also played a key role. Partnerships with community energy organisations, formed early, helped at every stage, from consultations and exhibitions through to planning committees and, where necessary, judicial reviews. This kind of support is not yet available everywhere, though expertise is growing as the sector matures. Where it is missing, that should not deter developers from exploring shared ownership.



Shared ownership is a no-brainer for the industry, in terms of the perception of projects and the receptiveness of local communities. We feel that the roll-out of renewable energy would be much more rapid if communities feel they have ownership, pride and participation.

Harry Lopes,
Founder & CEO
Eden Renewables



People having a sense of ownership creates a greater connection. When we first started to engage with this, the idea was that people would feel less that things were being “done to them” and more that they were part of them.

Paul Hewett, CEO,
Belldown Power

Benefit 2

Planning benefits and reduced appeals

The increased engagement which shared ownership offers can convert into practical planning advantage, for example by mobilising members of the community to speak in favour at planning committee hearings.

While difficult to quantify, several developers did feel that their commitment to shared ownership had helped reduce local planning authority objections. This in turn helped to avoid planning appeals processes, reducing planning costs, timelines and risks.

Across the board, it was noted that planning benefits were inconsistent, due to the policy framework which prevents shared ownership being considered as a 'material consideration'. These benefits will remain marginal unless this policy is changed.



Shared ownership can de-risk planning: encouraging and convening community support for a project to demonstrate positive support for a planning committee. We've seen this take place several times now.

**Alex Lockton, CEO,
Empowered Projects**



We've seen it regularly at community drop-in sessions, as well as local parish council meetings and planning committees: when you're meeting people, and able to answer questions on shared ownership, it's really helpful.

**Harry Lopes, Founder & CEO,
Eden Renewables**



CASE STUDY

Forest Gate Solar Farm

This 40MW solar and battery project in North Wiltshire will be up to 20% community-owned.

Eden Renewables worked from the outset with local climate action group Zero Chippenham, who partnered with experienced community energy organisation Bath and West Community Energy and established a community benefit society, Zero North Wiltshire, to manage community ownership.

Zero North Wiltshire and Bath and West Community Energy will jointly hold the community stake. This will ensure that the benefits, expected to include over £2 million in additional community funds over the project's lifetime, will remain within North Wiltshire. This will fund initiatives to reduce fuel poverty and carbon emissions, give community investors fair returns, and ensure ongoing local input into the project's environmental benefits. Eden Renewables is also contributing a separate community benefit and education fund worth over £800,000 across the 40-year project life.



Benefit 3

Reduced cost and risk on future projects

Developers with direct experience of shared ownership emphasised that it became easier, cheaper and lower-risk to deliver over time.

For individual projects, the ongoing engagement necessitated by shared ownership supported both community ties and formal partnerships with local community energy organisations: this then brought benefits when it came to re-powering or extensions of the asset.

One developer highlighted that they now have almost two decades' experience of shared ownership models: this means they have an understanding of what works for them and what doesn't. Another was keen to stress that while complexities exist, it is possible to create a standardised approach which ensures fairness between communities and reduces risk and cost on each project. This was echoed by a funder, who highlighted the accumulated knowledge available to those engaging with shared ownership for the first time.



We are seeing investor interest in a model which provides sufficient headroom for communities to secure funding and earn a return. We believe shared ownership models can be replicable, reducing complexity and helping build community confidence and awareness.

Paul Hewett, CEO,
Belltown Power



Shared ownership is no longer a high level concept. As it matures we will inevitably face teething challenges, but we can learn from past experience, and ensure more communities access the benefits. And as we've proven already: where there's a will there's a way.

Monika Paplaczyk,
Investment Director,
Thrive Renewables



We are learning from experience and evolving our approach to community investment at our UK onshore wind sites, for example by offering investment opportunities once sites are fully operational rather than at the point of final investment decision (FID) when programme and cost overrun risks remain. We think this makes for a more realistic, de-risked and socially responsible approach to community investment.

Eleri Davies,
Head of Onshore Wind Development: UK
RWE

CASE STUDY

Y Bryn Wind Farm

Y Bryn is a proposed onshore wind farm of up to 18 turbines, located in the Neath Port Talbot and Bridgend County Borough Council areas. Developed in partnership by Coriolis Energy and ESB, the site would deliver up to 130MW of energy, and as such constitutes a Development of National Significance (DNS) under the Planning (Wales) Act 2015.

A shared ownership model has been proposed of up to 20% of total capital expenditure, via a net revenue model (meaning the community contributes a portion of capital costs, and receives an entitlement to the same proportion of ongoing net revenue), with an indicative 10% for local residents and community groups and 10% for public sector bodies e.g. local authorities.

The creation of Awel y Bryn Co-op, a community benefit society, has been proposed to manage both community benefit funds and the shared ownership model, and would comprise community energy organisation Awel Aman Tawe (AAT) together with local voluntary sector groups Neath Port Talbot Council for Voluntary Service ('NPTCVS') and Bridgend Association of Voluntary Organisations ('BAVO') (1). This structure helps to ensure that the benefits created are managed appropriately by partners who understand the needs of the local community.

(1) For more information on Awel y Bryn Co-op see Annexe: Collaborative Benefits Report - Y Bryn Onshore Wind Farm.



Key Insights

1. Introduce new mechanisms to address communities' lack of access to capital

Two mechanisms were suggested to reduce risk on shared ownership projects. The first is the 'stewardship' stake, which already features in GB Energy's Local Power Plan. This would see GB Energy invest early in renewable energy projects or portfolios, taking a stake on behalf of the community. They would spread their risk, taking a 'development premium' as projects that move forward increase in value. GB Energy can then sell that share on to the community over time as they raise the funds, potentially at below market rate. This means the developer has a reliable, well-funded partner in place from day one, instead of waiting to see if the community can raise the full amount from the start. It was noted that other institutional investors could take the same approach.

The second is a GB Energy debt guarantee product, which would enable commercial lenders to lend to community groups wishing to enter into a joint venture shared ownership arrangement. Currently, in case of any issues with returns, banks have no reliable way to get their money back from a share in a jointly owned project. With a debt guarantee, the government (via GB Energy) would effectively act as a backer, enabling commercial lenders to offer finance to community groups.

These solutions would de-risk projects for developers and also ensure affordable stakes for communities.

2. Ensure structures do not overly centre risk with communities

While these were seen as important solutions, it was identified that they may not solve the fact that communities would still be investing in a single-site asset, with greater exposure to risk compared to professional investors, who spread risk across a portfolio.

This was described as a concern if for example the project sells its electricity into the wholesale market rather than under a Contract for Difference (CfD) which guarantees the price paid for the power over the duration of the CfD.

It was stressed that upfront agreement on price risk allocation between developers and the community group (including any lenders or cooperative members providing financing via share offer) was essential.



Key Insights

3. Commit to incentives which will make a real difference

Making shared ownership a material planning consideration was highlighted as a decisive step in opening up more projects.

The discrepancy between national targets for community ownership and its absence as a consideration in actual planning law was highlighted as a significant blocker which prevents wider deployment of shared ownership, and this measure was stressed as a key fix (2).

Preferential grid connections for projects with a community ownership stake were also referenced as incentive mechanisms for developers. It was noted that these would require a uniform definition of community ownership (3).

4. Set high ambitions on shared ownership, and support regional bodies to meet them

In the Netherlands, the Dutch Climate Agreement set a national ambition of at least 50% local ownership for all new onshore energy projects. By incorporating this expectation into planning policy at regional level, and making it part of the legal permitting process to begin any project, municipalities were able to turn a target into something they could implement.

This approach was then backed by an amendment to Dutch energy law, which gives local authorities the power to make this type of participation requirement strict and specific. Here in the UK, it is essential that local authorities are empowered to build shared ownership into their Local Plans.

(2) The Future Generations Commissioner for Wales has announced a review into energy policy and decision-making in Wales, which will explore how a 'new direction for Welsh energy can bring greater ownership and well-being to our communities'. It is expected to assess, among other areas, whether the Local ownership of energy generation in Wales policy statement is being effectively implemented in line with the Well-being of Future Generations (Wales) Act 2015.

(3) Priority for community ownership projects could be enabled through Connections Reform, by including community ownership among the strategic criteria in the Gate 2 assessment process.





If you had an Ofgem-approved definition of community ownership, you could give projects with a genuine community stake earlier grid connections and priority queue positions and in the planning process enable planners to require it for consent. Those would be real incentives.

Alex Lockton, CEO, **Empowered Projects**



CASE STUDY

Feeder Road 20MW Battery Project

The Feeder Road 20MW battery project came about as a result of active campaigning by local community groups, who opposed a planned diesel-fuelled short-term operating reserve (STOR) back-up power plant. The campaign, headed up by Residents Against Dirty Energy (RADE), and supported by Bristol Energy Cooperative (BEC), led to the battery storage project being built in its stead.

Thrive acquired the site in 2022 and devised an innovative shared ownership structure to recognise the community's role. This involved BEC acquiring a special share ownership interest; this created a formal ownership position for BEC without the scale of investment associated with a conventional minority equity stake. This was paired with project-level shareholder debt, where both Thrive and BEC lent money into the project as shareholder loans, earning an agreed rate of interest.

This approach allowed the community to participate in ownership, via BEC, without needing to raise the full amount of equity required for a more substantial direct shareholding. It also gave the parties flexibility: BEC could increase its investment if further community fundraising succeeded, while Thrive remained the main shareholder and retained responsibility for delivering and operating the asset.

The co-investment model was deliberately bespoke, and is a designed example of shared ownership in practice: the community received a participation route, the project retained a deliverable investment structure, and the set-up demonstrated that shared ownership could be applied to a standalone commercial battery project as well as more typical renewables like wind and solar.

Community benefit funds generated were used to support the launch of Barton Heat, a project which engaged the community locally to the Feeder Road battery on topics such as home energy efficiency and renewable energy generation.

In 2025, BEC decided to reallocate its capital to invest in more new community-owned solar rooftop projects, and Thrive agreed to acquire back BEC's share and repay its loan, leaving Thrive as sole shareholder.

Annexe

Collaborative Benefits Report: Y Bryn Onshore Wind Farm - Coriolis & ESB

Details of the shared ownership offer and negotiations, a summary of project benefits, and the Memorandum of Understanding for the community ownership agreement.

Community Ownership FAQs (Scotland) - Belltown Power

Belltown Power's shared ownership financial model and process.

Learnings from Matchmaker: A shared ownership innovation project - Regen

Recent research into the barriers surrounding shared ownership and potential industry solutions, presented in this webinar (see the [slides](#)).

Community Energy England Shared Ownership Hub

Regular updates on CEE's Shared Ownership work as well as key information from Government and our partners.

Tell us what you think

We'd love your feedback on this resource. Scan the QR code or visit the link below to share your thoughts.

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Want to explore shared ownership for your project?

If you're a developer considering shared ownership, or would like to understand more about the opportunities and practical considerations involved, we'd be happy to talk.

Get in touch with the CEE team to discuss your project, ask questions or explore how shared ownership could work in practice.

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