

# Swansea Community Energy and Enterprise Scheme

**Project type:** Solar

**Location:** Swansea

**Aim:** using community-owned solar energy to help regenerate deprived areas



SCEES

SWANSEA COMMUNITY ENERGY & ENTERPRISE SCHEME



## About the scheme

The Swansea Community Energy and Enterprise Scheme (SCEES) scheme was developed by the City and County of Swansea with the aim of using community-owned solar energy to help regenerate deprived wards in the city. Now independently managed, it has established ten solar PV systems on community buildings owned by local people through a new social enterprise. Profits from the scheme will be used to support local projects that help people develop skills, enterprise, economic growth and job creation.

## Partners

**City and County of Swansea:** Initiated the project and led its development, supported the establishment of SCEES as an independent social enterprise to develop the scheme and provided officer support throughout the project development

**Swansea Community Energy and Enterprise Scheme (SCEES):** A registered, independent Community Benefit Society which has recruited a strong, experienced and committed board of locally based directors, including council employees, a cabinet member, renewable energy professionals, local environmental campaigners and community members

**Welsh Government's Local Energy service:** The Government's community renewable energy service provided support through its local Development Officer and grant funding to pay for initial legal work and structural surveys

**Energy Saving Trust and Pure Leapfrog:** Carried out feasibility work for the local authority and evaluated a range of different business models for the project to help identify the best way for the Council to support a community-led solar project in the city

**Robert Owen Community Banking:** Provided bridging loan finance for the installation, legal work and share offer

## What was the result?

A total of 360kW of solar PV has been installed on nine schools and one care home in and around the Townhill and Penderry areas of Swansea. A community share offer was launched in November 2016 to enable local people to invest in the scheme.

It is anticipated that the Community Benefit Fund from the project will generate £500,000 over the lifetime of the project to support renewable energy and enterprise projects within the local community.

## What was learned?

### **The SCEES project demonstrates how a motivated local authority can support the development of community renewable energy**

The development process explored a range of different models for a community / local authority partnership before settling on a model where the authority nurtures the development of an independent, locally owned social enterprise. With a strong evidence base, the local authority was able to act quickly and decisively against very challenging deadlines in order to gain pre-registration for the higher Feed in Tariff (FIT) rates and complete the remaining development work to install the panels within the deadline associated with the FIT rates. The substantial support provided by the local authority enabled the project to secure an income which will provide much higher levels of investor return and community benefit than would otherwise have been achieved.

### **Timescales need to be managed**

Due to the short timescales involved, SCEES had insufficient time to complete a share offer in advance of the PV installations and therefore required bridging finance. The group discussed funding with a number of lenders in order to ensure that funding could be secured within the required timescales. Funding was successfully secured and provided by Robert Owen Community Banking.

### **The procurement process needs specialist support**

The procurement process was lengthy and detailed and required a dedicated member of the organisation to be available to provide clear and considered responses to queries raised. SCEES were able to provide this through the officer support provided by the City and County of Swansea.

### **Public engagement is important**

Prior to the establishment of the Community Benefit Society, the local authority undertook several stakeholder engagement events to introduce the project to local stakeholders, meet potential directors and help to shape the objects of the organisation. The majority of the current board members attended the engagement events and therefore understood the roots of the organisation. The range of backgrounds provided by the board members has brought confidence and previous learning to the project, assisting them in their need to 'hit the ground running'.

### **Community renewable energy can be accessible to anyone**

SCEES demonstrated that community renewable energy can be accessible to anyone and can bring real benefits to deprived communities. It has succeeded in building a strong partnership across public, voluntary and private sectors.

## Welsh Government's Local Energy service support

Due to time delays associated with Ofgem's pre-registration process, it was acknowledged by the group's founding members and the Welsh Government's Local Energy service early in 2016 that the group had to achieve a lot in a short amount of time in order to ensure that they would benefit from the higher Feed in Tariff rates that the founding members had managed to secure.

As such, the Welsh Government's Local Energy service provided additional support to the organisation with the Development Officer assisting with recruitment of board members, compiling and reviewing technical information, engaging with capital funding bodies and providing general support. The group succeeded in appointing board members who worked exceptionally hard to make this project happen.

The Welsh Government's Local Energy service also provided the group with **£26,286** grant funding for some initial structural survey and legal work.

## About Local Energy

The Local Energy service supports the development of locally owned renewable energy schemes through development officer support, grants and loans. To find out more visit <http://localenergy.gov.wales/>

For more details on the project see: <http://www.swanseacommunityenergy.org.uk/>

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