

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Cabinet Member for Climate Emergency and Sustainable Travel	
MEETING/ DECISION DATE:	On or after 12th August 2023	EXECUTIVE FORWARD PLAN REFERENCE:
		E 3473
TITLE:	Bath and West Community Energy Cooperation Agreement Renewal	
WARD:	All	
AN OPEN PUBLIC ITEM		
List of attachments to this report:		
Appendix 1 – Bath and West Community Energy BANES Cooperation Agreement Renew		

1 THE ISSUE

- 1.1 Since 2011, the Council has had in place a Cooperation Agreement with Bath & West Community Energy (BWCE). The Agreement has enabled strong partnership working between the Council and BWCE due our aligned vision for increasing renewables across the district.
- 1.2 The Agreement was last renewed in 2016. This report proposes the renewal of the Agreement for a further five years, up to 2028. The draft Agreement has been updated to reflect current Council policy and strategies.

2 RECOMMENDATION

The Cabinet Member is asked to;

Renew the BWCE Cooperation Agreement for five years, until 2028.

3 THE REPORT

- 3.1 The Council has committed to providing the leadership necessary for the district to achieve net zero by 2030. The Climate emergency strategy sets out three approaches to this, namely partnership working: providing leadership and enabling community action.
- 3.2 Our work with BWCE through the Cooperation Agreement follows all three of these strategic approaches. It provides a vehicle for leadership by enabling projects on our own land or through Council investment. It provides a model for partnership working and also gives communities the chance to have a stake in renewable energy projects.

- 3.3 This also aligns with our target for B&NES council to generate 12MW of energy to meet our own energy demand, as well as providing the leadership necessary to facilitate the generation of 300MW of renewable electricity across the district
- 3.4 The renewal of the Cooperation Agreement would mean that the Council and BWCE would agree to continue to work together to identify and bring forward energy projects within the district, opportunities for joint research about community-based projects, opportunities for people in the area to invest and potentially secure a return from projects and other funding opportunities.
- 3.5 The Cooperation Agreement has historically been recognised as a pioneering way for local authorities to support community energy. The Agreement, plus the work that has taken place under its auspices, was a major factor in the Council's receipt of the Most Proactive Public Sector Body Award at the South West Green Energy Awards in 2013.
- 3.6 The Cooperation Agreement recognises that BWCE is unique in our area, as a not-for-profit organisation set up by local people. BWCE keeps the majority of the economic benefits in the area, through a local share-ownership model and importantly, the reinvestment of surplus revenues into the BWCE Community Fund. The Fund is now constituted as a Charity with an independent Board and has the ability to ring-fence revenues from individual projects for use by communities in the direct locality of the project. The Fund has donated more than £330,000 to support environmental and fuel poverty projects.
- 3.7 When the Cooperation Agreement was adopted in 2011, BWCE was recognised nationally as a pioneering community energy enterprise. Since then, this recognition has grown and BWCE has won a number of awards, including Community Energy Organisation of the Year at the UK's first community energy conference in September 2014. This year they also won the Civic Bath award which highlights how they have improved Bath, and also the Sustainability Bath Award.
- 3.8 As of March 2023, BWCE has garnered over £22.5m of investment in renewables and installed 13.35MW of solar PV through its own projects and those of its partners. BWCE is always looking to develop new solar, hydro and wind projects.
- 3.9 In addition to their own success, BWCE also mentors other community energy groups, partnering with them to provide technical and fundraising expertise. Whilst not in B&NES, Low Carbon Gordano (in North Somerset) is an example of this; with BWCE's guidance, in 2014 they raised £2.2m in a local share offer for their solar project. BWCE have also supported community energy groups such as Keynsham Community Energy get off the ground.
- 3.10 The Cooperation Agreement has been instrumental to BWCE's success. BWCE's first project was the installation of solar panels on the roofs of six B&NES schools which the Council helped to identify and facilitate. Lewis House also hosts BWCE panels. The Council's Performance Reward Grant in 2012 enabled BWCE to secure further funds and covering important development costs.
- 3.11 Investment is the most recent way in which the Council has worked with BWCE. The Green Investment and Jobs Fund was set up to provide a policy loan for local renewable energy projects to further a range of Council policy objectives, whilst generating a source of income for the Council. The first policy loan of £500k was invested in the Wilmington Farm Solar Array, a BWCE community energy project. The loan enabled the project to happen and supported the community share offer by overcoming the previous market barrier of banks' not lending for community energy projects of that scale.
- 3.12 The Cooperation Agreement attached is largely the same as the previous Agreement, with updates to strengthen our shared vision for: 'Community resilience in B&NES by

generating local energy for local people through community owned renewable energy projects and the delivery of low energy services. This will help alleviate the impact of rising fossil-fuelled energy prices and retaining economic benefit locally.’ The renewable document has also been updated to refer to our latest strategies and policies.

4 STATUTORY CONSIDERATIONS

- 4.1 The legal power to work with BWCE is enshrined under Section 2 of the Local Government Act 2000 which gives B&NES the power to do anything which it considers is likely to achieve the promotion or improvement of the economic, social, or environmental well-being of its area. This legal power was strengthened by Section 1 of the Localism Act 2011 which grants local authorities a general power of competence to do anything which individuals may generally do.

The document is not a legally binding agreement, it is statement of intent.

5 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 5.1 The agreement contains no financial or property obligations, stating only that the Council and BWCE may work together to investigate the potential for funding mechanisms or projects on Council property, subject to a separate decision-making process in each case. For example, the opportunity for further investment to create an income for the Council whilst supporting community energy
- 5.2 Continuation of the Cooperation Agreement will require a continuation of a limited amount of officer time from the Green Transformation Team, resourced within existing budgets and staff capacity.

6 RISK MANAGEMENT

- 6.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision-making risk management guidance.

7 EQUALITIES

- 7.1 The Equality Impact Assessment has been completed. Whilst it is not foreseen that the Cooperation Agreement in itself will raise equality issues, future projects will be assessed for the need to address equality issues and when necessary, will project-specific Equality Impact Statements will be produced.

8 CLIMATE CHANGE

- 8.1 As set out in the report, the BWCE Cooperation Agreement is a significant part of the Council's strategic response to climate change. It will facilitate the Council's commitment in the Climate emergency strategy to provide the leadership necessary to meet the following targets:

- (1) Provide the leadership necessary to facilitate the installation of 300MW of renewable energy by 2030
- (2) Install 12MW of renewable energy to meet our own energy demands
- (3) Provide the leadership necessary to facilitate the retrofit of 65,000 homes across the District.

9 OTHER OPTIONS CONSIDERED

9.1 The Cooperation Agreement is not an exclusive agreement, and the Council can choose to pursue other options should it be in its interests to do so and would positively consider any other organisation's proposals that achieved the same aims.

10 CONSULTATION

10.1 The changes made in the renewal of the cooperation agreement were very minimal, as described above the shared vision was enhanced and the relevant documents signposted have been updated to reflect the most recent policies and strategies. For the renewed Cooperation Agreement, we have consulted with:

- (1) Bath and West Community Energy – Pete Capener (Managing Director)
- (2) Legal colleague – Michael Hewitt
- (3) Finance colleague – Gary Adams

All parties are happy with the contents of the renewed Cooperation Agreement.

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Background papers	Equality Impact Assessment Risk Register Lite – Quarter 2 – 2023/24
Please contact the report author if you need to access this report in an alternative format	