

# Repowering London's Community Energy co-ops – FAQs

Answers to commonly asked questions about our projects



## Q1 How is a Community Energy co-op run?

Each of the Community Energy co-operatives (co-ops) supported by Repowering London is a Community Benefit Society (CBS). This means that the co-op is run for the benefit of the surrounding community and not only the people who directly participate in the co-op, for instance by investing in its solar installations.

So, though the co-op can pay interest to investors who buy Community Shares (see Q2) in its projects, it cannot pay surplus profits in the form of dividends. Any surplus funds generated by the co-op, for instance from the sale of renewable energy coming from its solar panels, must be put into the projects in the local area. This is done through a Community Fund.

A co-op is run by its members, a Board of Directors, and volunteers. The volunteers and Directors support its day-to-day development. Members meet yearly at an Annual General Meeting (AGM) and make decisions on how the co-op is run and how the Community Fund is distributed, creating community solutions to local problems and making sure it is spent wisely. Governance of the society is truly democratic because the decisions are made on a “one member, one vote” basis. This means that all members have the same voting power, no matter how many shares they hold.

## Q2 What are Community Shares?

Community Shares are non-transferable, withdrawable shares in an independent society that is owned and democratically controlled by the community it serves (such as a CBS). Shareholders have the right to withdraw their share capital, subject to the terms and conditions stated in the Society's rules and Share Offer Document, but they cannot sell or transfer their shares or liquidate the business to achieve a capital gain. Unlike company shares, CBS shares cannot go up in value but they can go down, which means that you could lose some or all of the money you invest. The [Community Shares Handbook](#) has more information.

## Q3 What is Repowering London's role in a co-op?

We get the ball rolling by helping to find and develop potential sites where solar panels could be installed, arranging funding to do the installation and overseeing the placing of panels on roofs. We also get the word out to the community that a project is underway, what benefits it can bring to local residents and let them know how they can get involved as investors, volunteers and Directors. Once a co-op is up and running, Repowering London helps the volunteers and Directors to keep it healthy and growing, often providing a dedicated Community Champion to keep engagement with the community going, put together events and get as many people involved as possible.

We also maintain and monitor the system across the lifetime of the project, and we may need to recover costs for things like maintenance, repair and equipment – also for administration of the co-op. These costs will be kept as low as possible. Then, at the end of the project, we remove the solar panels or donate them to be used again. They will generate clean electricity for many years to come.



## Q4 How does a co-op manage funds?

When funds are raised through a Community Share Offer (see Q2), these allow the co-op to buy and install solar panels and provide an income stream. Shareholders receive a competitive return on their investment in the range of 3% per year. After core costs and investor interest is paid out, any surplus income made – for instance by selling excess solar electricity created – is ringfenced to be spent within the community.

## Q5 How do you choose where you work?

Repowering London gets contacted by local authorities or residents who want to start a Community Energy project in their borough because they know we have experience in getting mobilising communities around this kind of project and managing it from start to finish.

If we find enough sites suitable for solar panels and the development funding we need in an area we are interested in, we then work to co-create a Community Energy co-operative with residents, which can then drive the projects forward.

## Q6 What kind of projects do co-ops work on?

Currently, the co-ops and Repowering London are finding and assessing new sites for solar panels, building political support for Community Energy in the boroughs we work in, connecting with other local community and sustainability groups, and raising awareness of Community Energy among London residents. We are also working with London boroughs and the Mayor of London's government to deliver training, energy efficiency advice, and innovative energy projects that are helping to create a fairer and greener energy system for Londoners.

## Q7 How much does a solar project cost?

This depends on the installation costs of the individual project. In March 2019, we installed 86 kWp of solar panels for a total cost of £83,000. In October 2020, we installed 138 kWp of solar panels on the Westway Sports Centre for a total cost of £103,000. These costs will include the purchase and installation of the solar panels and any costs related to development and fundraising. In October 2019, for our Lambeth co-op, we installed 145 kWp of solar panels on two schools for £137,000. In April 2022, for our Aldgate co-op, we installed 37 kWp of solar panels on a City of London estate for £47,000.



## Q8 How do local residents benefit from a co-op's projects?

Our projects provide cheap and clean electricity to the sites we install solar panels on. We can also sell our electricity to schools, community centres, or to a local council to power the communal areas of an estate, which can often provide Community Funds that go to local priorities decided by co-op members.

Unfortunately, due to the current electricity market regulations, Community Energy co-operatives are not able to sell their electricity directly to residents, which could offer an alternative to mainstream suppliers.

We are working to change this by supporting the [Local Electricity Bill](#). Please consider lending your voice and supporting the campaign to let local co-ops sell locally-generated power directly to their community.

We are also exploring alternatives to supply electricity to residents and that help democratise the energy system, such as the [Energy Local Roupell Park](#) project in Brixton.



## Questions about investment

### Q9 Why should I invest in Community Energy not just in a renewable energy company?

A co-op is not a renewable energy company but a Community Energy co-operative. The co-ops supported by Repowering London are owned by their members, who have their say on how the co-op is run, and what it does with its profits. By investing in the co-op, you are supporting a people-powered energy transition, rather than the corporation-led status quo. Community Energy co-ops can also let you invest simply and in smaller amounts than traditional investments allow.

### Q10 Who can invest in Community Energy projects backed by Repowering London?

Investment is open to all UK residents aged 16 and over. The minimum investment is £100, and £50 for residents living locally or aged under 25. However, investment and commercial activities carry risk and that means there is a chance that you will lose the value of your investment. Since a Community Share Offer is exempt from the Financial Services and Markets Act 2000 or subsidiary regulations, you will have no right of complaint to an ombudsman (see Q15). As a rule, you should never invest an amount that you can't afford to lose.

### Q11 What will I get for my investment?

As well as the satisfaction of working with your community to decarbonise its energy use and create an asset that benefits every local resident, investors will receive an estimated annual interest on their investment of 3% each year. The co-op will put your share interest and eventually your capital repayment every year into your bank account. You can choose to donate your interest to the co-op's Community Fund if you wish to do so.

Investors are also paid back a portion of the amount they invested (usually 5%) each year, over the lifetime of the project (usually 20 years). Full details of the arrangements for interest and repayment are included in the Share Offer Documents, and you can find these on the relevant project pages on our [Repowering London](#) website.

### Q12 Is the return on investment guaranteed?

No. Investing in a co-op Community Share Offer should be seen as a long-term ethical investment opportunity that generates social, environmental, and financial returns. We aim to pay an annual 3% interest over the lifetime of the project. However, the distribution of interest is subject to a vote by the members at each Annual General Meeting (see Q1), and there is no guarantee that interest will be paid each year.

### Q13 What are the risks of investing?

The risks of investing are explained at the end of all our Share Offer Documents, which are made available to all potential investors.

### Q14 Can I end my investment whenever I want?

We hope that you will see investing in a Community Share Offer as a long-term ethical investment opportunity that offers real benefits to the local community. However, if you still want to withdraw some or all of your share capital (the amount invested), you can apply to the co-op Board of Directors one year after your shares are issued to you, giving three months' notice. You should be able to withdraw your investment, unless doing so would jeopardise the financial strength of the co-op (in other words, if the co-op doesn't need those funds to continue operating well). If necessary, the Board of Directors will prioritise withdrawals on a case-by-case basis, considering personal circumstances, amount requested, and the remaining length of investment.

### Q15 Is my money guaranteed to be safe, like when I put it in a bank account?

No. Your money in a bank is guaranteed because the Financial Services Compensation Scheme protects you if it fails. When you invest in a Community Share Offer for a co-op supported by Repowering London, you could lose some or all of your investment, without recourse to the [Financial Services Compensation Scheme](#) or the [Financial Ombudsman Service](#). Even though we believe our projects are relatively secure investments due to their nature, it is important to understand that we can't offer any guarantee.



## Getting involved

### Q16 I don't have any money to invest, can I still become a member of a co-op?

Yes. We offer a £1 membership to all residents that are local to a co-op. As a member, you will be able to attend the AGMs and will have the same voting power as investor members. All you need to do is to email [eva.goudouneix@repowering.org.uk](mailto:eva.goudouneix@repowering.org.uk) and fill in a £1 membership form.

### Q17 Can I volunteer for a co-op near me?

Of course! We'd love you to join in. We are always looking for volunteers and there is a lot more that we want to do to achieve a greener and fairer London. As a volunteer you will join a vibrant community, meet friendly and motivated people, work on a variety of projects and learn a lot of new skills. There is no set time commitment either. We're happy with any time you can give!

### Q18 What if I think I've found a great site for a new solar installation?

Get in touch at [info@repowering.org.uk](mailto:info@repowering.org.uk). We'll look at whether the location is in an area where we are – or can – work and do a site assessment if so. If this assessment is positive, we should be able to work with you and your community on next steps. If the site is somewhere we aren't able to work, we will try to guide you to another Community Energy organisation that can help.

### Q19 Who can I talk to about setting up a community energy project where I live?

First, you can come to us and check there isn't already a project being developed where you are. Repowering London has set itself an ambitious goal to triple London's community-owned renewable energy assets by installing at least 5MW of solar capacity in London over the next five years. If we aren't working on anything nearby, a good place to look for other projects is [Community Energy London's Project Map](#).

### Q20 Can you help me put solar panels on my house?

Unfortunately, although we love solar energy and want to see everyone use it we can't supply solar panels to private houses. But you can certainly buy them yourself or with the support of another programme such as [Solar Together](#).

### Q21 I would love you to come to my local school to talk about renewable energy. Can you?

Yes, please! Just contact us at [info@repowering.org.uk](mailto:info@repowering.org.uk) and we'll make it happen. We have also created a fun, theatre-based programme for Key Stage 2 students, called ReCreate. See a [video here](#) about the programme and get in touch if you'd like to talk about running it at your school.



## Solar energy – The science bit

### Q22 Do solar panels really work in the UK?

Yes! If there is enough sun to grow vegetables, there is enough to make solar energy. Repowering London projects are successfully generating their own electricity right now, and solar power is becoming increasingly popular across the country as the consequences and costs of using fossil fuels become crystal clear.

### Q23 What is the lifetime of the solar panels? What happens to them next?

Panels will potentially last several decades. The panels lose 0.5% efficiency per year – so they will be still at least 90% efficient after 20 years when our projects are generally planned to finish. At the end of a project the ownership of the panels can transfer from a co-op to the schools or building owners involved. They can remain on roofs and keep generating free electricity.

Find out more about our co-ops at [repowering.org.uk](http://repowering.org.uk)

Creating Local Energy

