Greater South East Net Zero Hub

# The Guide to Community Solar on Council Assets

## Overcoming barriers to local authority and community energy partnerships


Written by Dr. Rachel Coxcoon of Climate Guide
In partnership with Community Energy Pathways, UK100 and Community Energy England



Funded by the Greater South East Net Zero Hub


COMMUNITY ENERGY PATHWAYS | climateguide | UK100 | Community Energy England

# Contents

# Foreword

We are delighted to launch this Guide to Community Solar on Council Assets for local authority officers and elected members. While the guide is aimed at, and was developed in collaboration with local authorities in London and the South East, we hope it will also be useful for local authorities in other parts of England.

Community energy helps to ensure that the benefits of the clean energy transition are felt by local people. As councils across England work to meet ambitious climate targets, reduce energy costs and strengthen community resilience, partnerships between local authorities and community energy organisations offer a powerful route to achieving these goals.

This guide focuses on one of the most practical ways for councils to support the growth of community energy: enabling community-owned solar installations on council assets. It has been designed to help councils navigate the strategic, legal, procurement and organisational challenges that can arise when bringing forward community solar projects.

Drawing on the experience of local authorities, community energy organisations, and sector experts from across London and the South East, it provides practical tools, templates, case studies, and guidance to support local authorities at every stage of their journey.

We would like to thank Community Energy Pathways, UK100, Community Energy England, Dr Rachel Coxcoon of Climate Guide, and the many officers, councillors, community energy practitioners, and sector specialists who contributed their expertise, experience, and insight into the development of this guide. Their collective knowledge has helped create a practical resource rooted in the realities of local government and community energy delivery.

We hope this guide supports local authorities to take the next step in their community energy journey and helps create more successful partnerships that deliver lasting environmental, social, and economic benefits for local communities.

**Greater South East Net Zero Hub**

# Acknowledgements

## Funder: The Greater South East Net Zero Hub

The Greater South East Net Zero Hub is a regional, government-funded initiative that works with local authorities, other public sector organisations, and their stakeholders to support the development and financing of local energy projects.

## Project Lead: Community Energy Pathways

An award-winning social enterprise that exclusively works to accelerate growth in the community energy sector through building local skills and capacity,  unlocking investment, leading innovation and strengthening collaboration between communities, government, local authorities, and industry partners.

## Author: Dr Rachel Coxcoon, Climate Guide

A public sector consultancy led by Dr Rachel Coxcoon offering quantitative and qualitative research, strategic climate change support, and training. Rachel specialises in the political and social dimensions of climate policy, with over 20 years of senior leadership experience in local government and the climate sector.

## Project Partner: UK100

A network of ambitious councils led by all political parties working together to tackle climate change, helping local leaders overcome challenges and turn innovation into solutions that work everywhere. From cities to villages, they help communities across the UK create thriving places powered by clean energy — with fresh air to breathe, warm homes to live in, and a healthy natural environment.

## Project Partner: Community Energy England

The national voice of the community energy sector, representing organisations from across the community, public, and private sectors all working to put people at the heart of energy system transformation. We work with our members to help create a fair and zero-carbon energy system through the growth of community energy.

## Additional thanks to:

The speakers and contributors to the workshops and webinars who provided information about and insight into community energy local authority partnerships.

The Officers and Councillors from the many local authorities who gave their time and insights through interviews, workshops and webinars as this Guide was developed, and especially thanks to those who reviewed content and gave expert feedback on draft versions.

Community energy groups who articulated the barriers they have faced when working with local authorities, and helped to develop solutions.

Syed Ahmed, Caelan Wheelan, Prina Sumaria, Regen and other sector experts and association leads for sharing their work on community energy to ensure we did not duplicate their excellent work on guidance for community energy groups and local authorities in London.

## *Legal disclaimer*

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# 1. Introduction

**If you're reading these resources, chances are you are already familiar with the world of community energy, or have recently started to engage with it.**

You may represent a local authority, either as a Councillor or an Officer. Perhaps you've been inspired by community energy activities in other areas, where you have seen amazing outcomes, such as those shown in the case studies at the end of this document. Perhaps (and this is not uncommon) you've already been trying to support a particular community energy generation project in your area for a while and find yourself going round in circles getting it off the ground. Or perhaps this is a new concept for you, and a local Community Energy Group has asked you to help them build support for a partnership in your area.

> Perhaps you've been inspired by community energy activities in other areas, where you have seen amazing outcomes

This resource has been designed to help you move this forward. It is made up of two parts: the **'Decision-Making'** elements of this toolkit are editable documents designed to reduce the workload involved in securing a formal commitment at senior and political level to supporting community solar on the Council's assets, crystallised through the adoption of a formal strategy. The **'Barrier-Busting'** elements of the toolkit are included to help you maintain momentum through this process; implementing a community solar strategy will require you to work across multiple departments, many of whom will have limited resource, and limited prior exposure to the concept of community energy collaborations. They are likely to raise specific concerns around legal, procurement and other procedural issues that the resources in this pack should help address.

For the reader who has only recently encountered community energy as a concept, a brief history of the sector below will help orient you in terms of what sets it apart from purely commercial delivery of energy projects, as well as how and why local authority support, at least in the early stages, can be the key to unlocking substantial local benefit for your Council area.

# 1.1. A brief history of Community Energy in England

## From early movers to Feed-in Tariff pioneers

Community energy projects in England have been around since the mid-1990s, when a handful of communities negotiated shared ownership arrangements with commercial wind farm developers, but for the best part of fifteen years, they remained an interesting curiosity. All this changed with the introduction of the Feed-in Tariff (FiT) in April 2010.

The FiT was designed to aggressively stimulate the renewable energy market, aiming to transform renewables from niche, expensive products to a more mainstream option by driving down costs. At its launch, the FiT offered an astonishing rate of 41.3p per kilowatt-hour for solar PV generation, index-linked and guaranteed for twenty years. Policy design assumed the commercial installer market would rapidly expand, as householders and businesses with capital to spare would invest in PV systems, knowing that their investment would be handsomely paid back through a guaranteed payment over a long period.

> A side-effect was that the FiT also opened the commercial-scale renewable energy market to people who had community-minded and charitable goals, but had previously had no way into it, because they could not secure the capital to install at scale.

With such surety of income, a group of capable, local residents with no track record and no capital reserves could so confidently predict the income stream that would result from installing solar panels on a suitable site, that they could raise money via a local share offer and attract other financial support too.

Early movers who were quick to spot the potential of the FiT included the Low Carbon Hub in Oxfordshire, Bath and West Community Energy, Plymouth Energy Community and the Bristol Energy Cooperative, among others. If you are not familiar with their work, do take some time to look at their websites via the hyperlinks to see what this approach could bring in your Council area. What quickly emerged through the work of groups like this was a virtuous cycle of community benefits that has become the hallmark of the modern community energy movement. The Feed-in Tariff income was generous enough to offer the host building very cheap or even free electricity, pay investors a generous return, and still generate a surplus to reinvest locally. Often this was focused on other energy activities, such as fuel poverty advice, subsidised retrofit, and community grants.

> Local money, made from local energy, addressing local needs.

# Trust assured through a specific legal mechanism

A crucial mechanism meant that the community of investors, and the organisations who provided their roofs and sites, could trust that the community energy group would remain committed. This mechanism is the 'Asset Lock'. An asset lock is a constitutional provision in some specific incorporated forms of organisation, such as Community Benefit Societies, Co-operatives, charities and Community Interest Companies.

## Features of an Asset Lock

An asset lock prevents the distribution of residual assets to members, ensuring that the assets of the organisation cannot be appropriated for the private benefit of members and must instead be used for public or community benefit.

In practical terms, this means that a properly constituted community energy group cannot be sold, wound up, or converted into a company in order to distribute profits to shareholders or members.

If a community benefit society with a statutory asset lock is dissolved, any remaining assets (after all creditors and members' share capital have been repaid) ***must transfer to another asset-locked body.***

This remains the fundamental feature that sets genuine community energy activities apart from commercial scale renewable energy delivery, and is expanded on in the Decision Paper and Procurement elements of this resource.

## Sector resilience through difficult times

Sadly, from such stellar heights, the economics of community energy gradually weakened, principally because the FiT was a victim of its own success. The scheme achieved what it had been designed to do ahead of target. By stimulating the solar market so aggressively, it drove installation costs down enormously, and solar PV installation costs are now 90% lower than they were a decade ago. But the sudden and earlier than expected removal of this market stimulation mechanism meant that many commercial operators folded, and the community energy sector's business model became marginal at best. A difficult fallow period followed, lasting until rising electricity prices and falling installation costs eventually converged to make the economics work again, this time without any subsidy at all.

> While it's unlikely community energy projects will ever be able to offer the margins that they could under the FiT regime, profitable business models with associated community benefit funds have once again been established.

What the community energy sector achieved during this difficult fallow period is remarkable. The sector has professionalised, built its own trade body (Community Energy England), and sector support organisations such as Community Energy Pathways, that have provided a national network of collegiate support between groups. There are also a range of highly capable intermediary organisations supporting the development of new groups, who provide a plethora of services such as managing installations, share offers and management of arrays until a newly formed group can take full responsibility for it. Recent developments such as the North Lincolnshire Community Energy case study have used exactly this approach.

Community Energy England's most recent State of the Sector report, covering 2024, found 614 community energy organisations active across the UK, who, between them, have installed 411 megawatts of generating capacity, producing around 575 gigawatt hours of clean electricity each year after - enough to power approximately 213,000 households. The sector employs almost 1,000 people as well as providing nearly 5,000 volunteer roles.

# Community Energy is not new

As the history above shows, community energy is not a new idea. People who were born in the mid-1990's when the country's first modern Community Energy Co-operatives were founded are now in their 30s with children of their own. This is a sector that has evolved, professionalised and matured to the point that local authorities that have engaged early with community energy are now recognised leaders in the field of public-community energy collaboration.

And those 1990's projects were themselves a renaissance: before nationalisation in the late 1940s, locally-owned energy was the norm. Birmingham, Manchester, Glasgow and many other towns and cities ran their own electricity undertakings and gas works from the late Victorian period, and the people running the system were accountable to the communities they served. Research repeatedly shows that opposition to new energy infrastructure is lower where the assets are clearly community-owned and benefits accrue to the local area. Cornwall Council embedded community ownership into its renewable energy planning policies as far back as 2016.

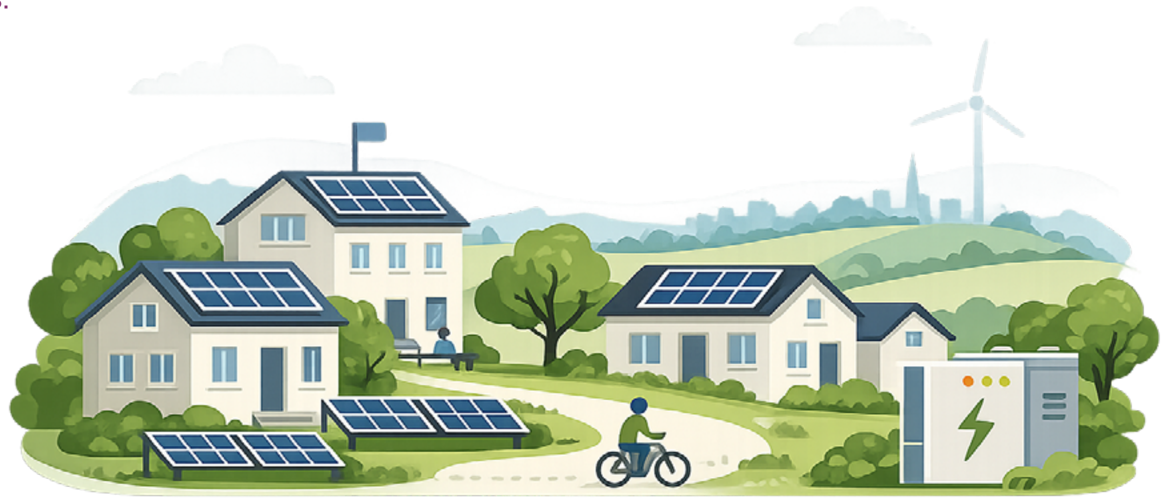
> Community energy, then, is not a risky innovation but a recovery of what many communities once had by default.


*Community Energy England State of the Sector Report 2025

# A new, supportive policy regime, and new funding

The policy environment is now looking much rosier again. The establishment of Great British Energy in 2025 has created a publicly owned investment company with a specific aim to stimulate the growth of renewable energy in the UK in a way that spreads the benefits to communities and keeps value local where possible. GBE's 'Local Power Plan', published in February 2026, outlines how they will support Community Energy projects specifically, through new funding schemes and advice. One of those funding streams (The Partnership Fund, launching later in 2026) will provide targeted funding for Local Authorities to work directly with community energy groups.

> Councils who have considered how they could engage with this sector will be at a material advantage when that fund launches.



## 1.2. Securing the benefit of community energy for your local authority

**However you have come to this resource, it aims to help you to travel on the shortest possible path to embedding community energy in your Council's strategic workplan. It does this through a laser-focus on one particular aspect of community energy; solar PV arrays, owned by a Community Energy Organisation, installed on Council land and buildings, from which the Council purchases the electricity generated at a discounted rate.**

With a few arrays like this in their portfolio, Community Energy Groups can really grow. Many of the country's most successful Community Energy Co-operatives started this way, with a handful of roof-mounted arrays on schools and other Council properties. The most impressive of them now own portfolios of more than 10MW of generating capacity in their localities, on commercial, industrial, community and Council sites. They have raised millions of pounds in local investment through share offers, have returned substantial interest and capital back to that local investor pool, and have contributed hundreds of thousands to local community benefit causes, such as fuel poverty advice schemes. They have created a raft of highly-skilled paid jobs and thousands of hours of volunteering opportunities, skilling-up and re-skilling local residents.

More than this, advanced community energy groups are at the forefront of actively informing national and regional energy policy.

Some, (like Oxfordshire's Low Carbon Hub), have led complex Grid flexibility research projects in partnership with the energy distribution companies, while others have informed local energy planning processes, and still others (like Manchester's Carbon Co-op) are at the cutting edge of how to deliver building retrofit at the community, street-by-street scale.

### Driving community resilience, skills and economic growth

What community energy activities do in a given local authority area is increase local energy security and community resilience, which ultimately reduces dependency on local authority services. By providing a firm, reliable basis for these organisations to gain a local foothold, which is best done through leasing sites on which generating assets such as solar PV can be installed, local authorities are able to support economic resilience and growth, and the development of services and expertise on a scale that they could never hope to offer themselves.

Many of the country's most successful Community Energy Co-operatives are now highly professional, trustworthy, expert delivery partners, whose roots in the local area mean they can often provide services and access households and communities that the Council itself would struggle to engage.

Perhaps, having read this introduction, you are thinking "I know all this already!" You may even have already tried to support the development of a Community Energy Group in your area, but found that whenever you try to replicate what the pioneers have done, obstacles keep arising.

This is largely because what worked for the pioneer groups may not be easily replicable today.

This is self-evident: community energy projects are such an extraordinarily successful and positive force in the places where they are working well, that if they could be easily replicated, it would have happened everywhere by now.

The reality is that in many cases, the most successful groups grew from the perfect meeting of specific, highly capable individuals in their localities, with serendipitous individual and political alignment, happening at a time when the regulatory and policy environment was different, and generous financial support mechanisms existed.

You will need to recreate their incredible achievements in a different regulatory and policy regime.

> The successful Community Energy Groups illustrate the *outcomes* you want to aim for, but can't necessarily offer a directly replicable *process* for you to follow. However, the policy regime is now more supportive than it has been for some years, and this resource offers guidance and example documents that will help you replicate these successes in your local area.

# 2. Using this Toolkit

## What this toolkit is for

The resource has been designed for **local authority Officers** and **elected Members**, to help them get a Community Solar on Council Assets Strategy adopted at their Council. **It is from the adoption of this Strategy and associated workplan and milestones that the work needed to finalise all asset assessment, contractual and procurement arrangements can flow.**

It aims to tackle three particular points of failure that the community energy world regularly encounters when dealing with local authorities:

1

**There is no embedded corporate or senior level commitment to supporting their development.** Support, where it can be found, is often limited to staff in non-statutory service areas such as Climate teams, sometimes also limited to relatively junior staff in the wider decision-making hierarchy. Sometimes the support is at the political level, but restricted to only one or two Councillors who do not 'own' the relevant portfolio areas, and may not be part of the Administration. All too often, many hours are lost as these 'champion' staff move on to other jobs or supportive elected Members lose their seats, and the process begins again. *This resource addresses this point of failure by providing a collection of templates that lead to a Decision Paper, discussed at Cabinet or Full Council, to secure a corporate commitment to adopting a Community Solar on Council Assets Strategy, securing the right level of senior commitment and a framework to bring projects forward under.*

2

**There is a confusing overlap of responsibilities within the Council.** Community energy projects do not fit neatly into the responsibilities of one directorate in a Council, and community energy projects stall as they are repeatedly passed between departments. Procurement, Legal, Assets and Estates, Energy Management, Education (where schools are the chosen sites) and of course the Sustainability team itself can all be involved. A lack of clear ownership for driving forward community energy projects is a major risk and leads to volunteer fatigue within Community Energy Groups.
*This resource addresses this point of failure by providing a template Community Solar on Council Assets Strategy, linked to the Decision Paper, which provides a route for assigning responsibilities, milestones and deliverables to move projects along.*

3

**There is uncertainty about appropriate procurement and legal arrangements.** The fact that most of the more successful projects were established pre-Brexit, and before both the Concession Contracts Regulations of 2016 and the Procurement Act of 2023, means that they do not provide entirely replicable blueprints for the establishment of similar projects today. When presented with these case studies, hard-pressed Legal and Procurement teams may struggle to see how they will work now, viewing them as risky and unlawful in the current regulatory environment. This risks internal stalling and project failure. *This resource addresses this point of failure through outlining a proposed procurement hierarchy that aligns with current regulatory requirements, for discussion with procurement teams. The case studies complement this by demonstrating the difference from the historic procurement approaches of established and well-known community energy projects.*

## Who should use this toolkit?

**The toolkit is designed to be used by Officers and elected Members of local authorities in England.**

If you are a representative of a Community Energy Group, you may also find it useful as a way of familiarising yourself with how local authorities work; indeed, one section of it has been written specifically to help you do that. You may also want to bring this Guide to the attention of any Council Officers and elected Members with whom you are already engaging.

## What does the toolkit contain?

**The toolkit is split into two parts.**

### Part 1

Part one contains a set of Decision-Making Templates as outlined to the right. These are written in the register that local authority internal documents use, and have been completed as far as possible to minimise the amount of Officer time needed to create any of these documents from scratch.

### Part 2

Part two contains other resources that will help break down the most obvious barriers that you will encounter on the way to getting the Community Solar on Council Assets Strategy adopted at your Council.

### Part 1 - Decision-Making Templates

- Case for Action Briefing Note
- Decision Paper template
- Full Council Motion template
- Community Solar on Council Assets Strategy template

### Part 2 - Barrier-Busting Resources

- Frequently Raised Barriers – detailed guidance addressing the most common questions and concerns about council/community energy collaborations.
- Community Energy and Local Authority Partnership Assessment Framework
- Case Studies of existing community energy/local authority partnerships, highlighting successful outcomes and replication potential under current regulations.
- How Your Council Works: A Guide for Community Energy Groups.

Each of these documents is described briefly on the following pages, and the download link can be found at the bottom of each section.

# PART 1: Decision-Making Templates

## Decision Paper Template

This example document is a fully-editable Microsoft Word file. It has clear markers where local authority representatives can insert locally specific information. It is structured using the HM Treasury five-case business model, and is designed to lead to adoption of the Community Solar on Council Assets Strategy.

This is the 'anchor document' of the whole suite of decision-making templates. It is through taking your edited, fully-populated version of this document to Cabinet or Full Council (depending on your scheme of delegation) that you will secure senior commitment to support a Community Solar on Council Assets Strategy.

**Note the Decision Paper is a Strategic Outline Case to adopt a Strategy: it is not a Decision Paper that deals with individual solar sites.**

The Decision Paper purposely sits at this strategic level: it commits the Council (via the Strategy) to:

- working up an asset list that could be suitable for community solar;
- confirming the legal and procurement routes that the Council will proceed along;
- and identifying and engaging with the community energy market and providers locally.

It does not deal with site-by-site considerations. This is a design feature, rather than an oversight. Securing approval for a Community Solar on Council Assets Strategy, rather than approval for a named group to install solar on a particular site, prevents 'category error' objections from derailing your plans, where an objection about a certain potential project is used to effectively quash the whole idea of strategically supporting community solar on your assets wherever you can.
The Community Solar Strategy compels the Council to actively assess sites and the potential delivery market, and make all best efforts to find ways to make a community energy approach work. As this work proceeds, it is only natural that individual buildings and land will be found to be unsuitable for planning, technical, Grid, or complex sub-tenancy reasons. That some of your buildings will ultimately turn out to be unsuitable for solar PV installations, or that some of the business models and PPA agreements cannot be made to stack up, should not be a reason to discount the idea of community solar in general.

**Adoption of the Strategy effectively creates a senior commitment to allocate Officer time, investigate and approve the procurement route, and potentially make final contract arrangements via delegated powers.**

DOWNLOAD HERE

## Case for Action Briefing Note

A two-page editable Word document giving a high-level briefing on the financial and asset management case for community solar.

**You could use the information in this to inform initial meeting agendas or secure interest from colleagues, before working towards the more detailed templates below.**

DOWNLOAD HERE

## Full Council Motion template

This document is a fully-editable Microsoft Word file. It is drafted as a detailed example Motion for elected Members to edit in line with their local circumstances, to bring to Full Council. It provides a route for interested Councillors to champion the adoption of a Community Solar on Council Assets Strategy where a full Decision Paper has not yet been presented. It has clear markers where local authority representatives can insert locally-specific information.

As with all political Motions, this document should be used with caution: Councillors wishing to use this document to garner support for the adoption of a Community Solar on Council Assets Strategy should first engage with Officers from across all relevant teams to understand whether and how this work may already be being progressed. Councillors will also want to think about the seat arithmetic involved in bringing this Motion forward; a rejected Motion could set the idea of supporting community energy back by several years.

**A Motion proposed with as much cross-party support as possible is wisest.**

DOWNLOAD HERE

## Community Solar on Council Assets Strategy template

This document is a fully-editable Microsoft Word file. It is an example Strategy with clear markers where local authority representatives can insert locally-specific information. This Strategy (or something based closely on it) is the document that a Council should amend and adopt in order to ensure that support for community solar is firmly embedded at the Council's corporate level.

**Both the Motion and the Decision Paper templates are geared towards securing the adoption of this Strategy.**

DOWNLOAD HERE

# PART 2: Barrier-Busting Resources

> *"It is such an impressive and helpful suite of documents, and so welcome to have this come from and rooted in the LA perspective. It is literally a plug and play! I also really like the way you've managed to convey benefits in a neutral way emphasising the efficient use of resources - I think that's a helpful discipline in any Council, but obviously particularly important at the moment."* **- A Council Leader at a District Council**

## • Frequently Raised Barriers

As part of the development of these resources, attendees at a range of conferences, workshops and webinars were asked to provide information on the barriers that have prevented them from making progress on community energy projects in their area. Participants included community energy representatives, local authority officers, and local authority councillors. Their comments were synthesised into strategic and project level barriers, covering a range of issues from limited staff resource, poor understanding of community energy, legal, procurement, LGR, planning and building related issues. These are grouped and addressed in this Frequently Raised Barriers section to help you respond to these as comprehensively as possible.

**DOWNLOAD HERE**

## • Community Energy and Local Authority Partnership Assessment Framework

This checklist will help you determine whether the community energy groups you are engaging with have the right structure, skills and incorporated form to help you achieve the proposals in the Community Solar on Council Assets Strategy.

It will also help to inform any Pre-Qualification Questionnaire or Market Engagement process you prepare as part of procuring community energy delivery partners.

**DOWNLOAD HERE**

## • Case Studies of existing community energy schemes

Council partnership in the early stages has been a key contributing factor to the longer-term success of some of the UK's most well-known Community Energy Organisations. The Case Studies section illustrate both the successes that come from such foundational support, but also how their founding principles differ from the path a Council might need to take now.

**DOWNLOAD HERE**

## • How Your Council Works: A Guide for Community Energy Groups

This is a separate document you can give to Community Energy Groups who are keen to engage with your Council but who you feel need information on the realities of how a local authority functions. It also contains an appendix describing school types, since schools are often a target site for community solar projects, and the ownership and sub-lease complexities created by the mix of maintained schools, academy schools, faith schools etc. are not immediately apparent to community groups looking to work with schools through the Council.

**DOWNLOAD HERE**

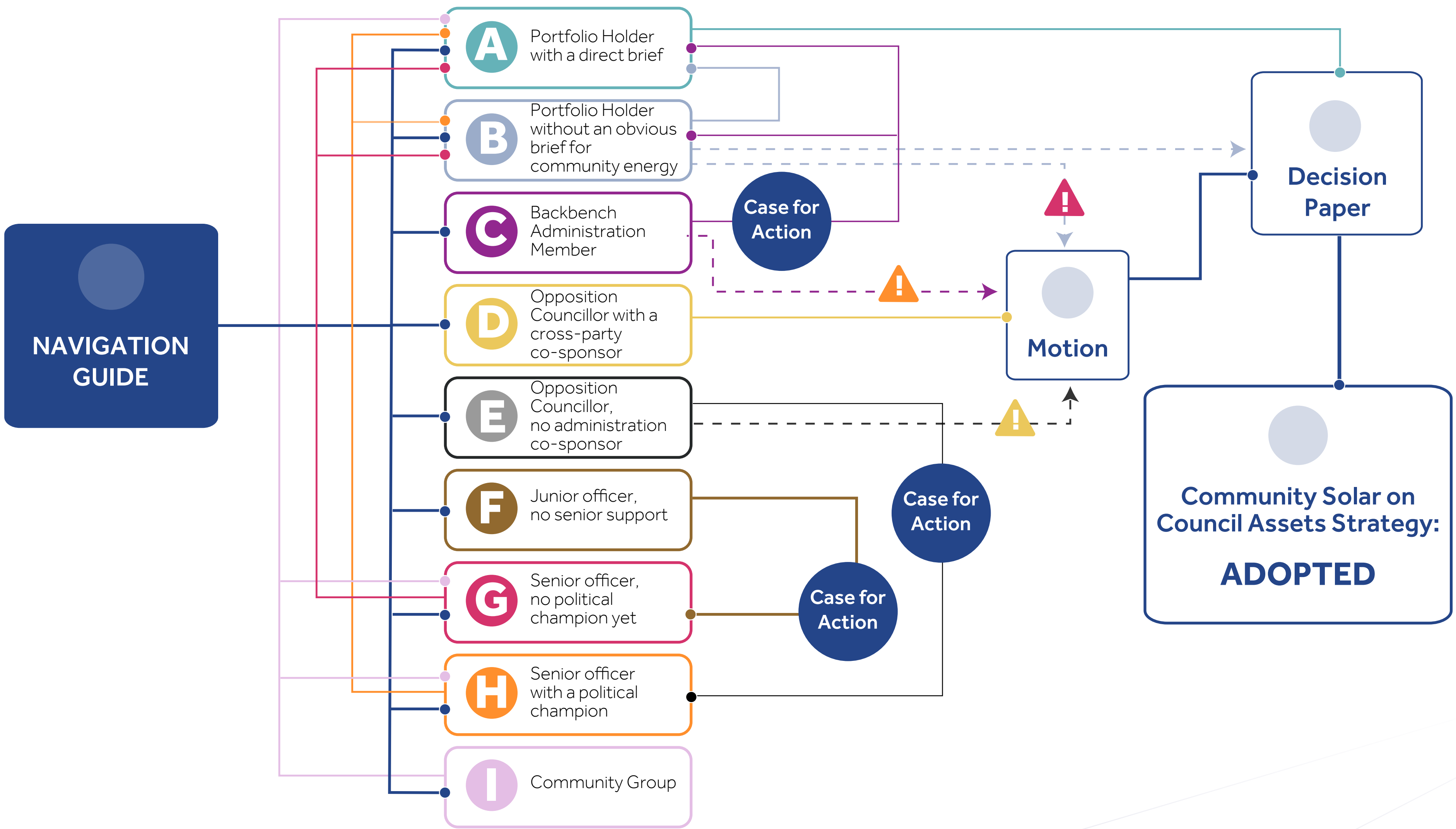
# 3. Suggested Pathways for Different Users

We have tried to situate these resources in the real, lived experience of working or politically operating within a local authority context. Not everybody is at the same level of seniority, or has the same access to the right levers of decision-making that could get a Community Solar on Council Assets Strategy adopted.

The pathways below are examples, based on 'archetypes' of different actors that might be found in a 'typical' local authority. Of course, we all know there is no such thing as 'typical' and we all know our own organisation's vagaries and peculiarities. Only you will know how best to proceed, but the diagram and suggested paths below should provide some food for thought.

Overall, the watchword is caution – small-p politics have to be negotiated in any large organisation where multiple people and departments have to devote time and resource to making something happen. In cash-strapped local authorities, asking for Officer time for non-statutory, non-core activities can be challenging. And of course, unlike other large organisations, local authorities also have 'big-P' Politics to negotiate too. The whole aim of these resources is to help you build a coalition of support that leads to the adoption of a supportive Strategy.

# Decision-Making Toolkit



A

# PATHWAY A:
# Portfolio Holder with a direct brief

### Who you are:
You are the Portfolio Holder for an area that covers assets, estates or finance, or you may also be the Leader of the Council. (If you are the portfolio holder for climate and/or communities, you should consult Pathway B). You have significant senior authority at a political level, and can therefore move things along more quickly than most and can by asking for officers to work up a Decision Paper based on the template in this pack, for discussion at Cabinet.

### Likely risks:
You could jeopardise the Community Energy Strategy if you push stretched officers to turn this round too quickly, or if you have not got the support of the Cabinet as a whole, or you have not clearly presented your interest in this area to key decision makers whose role is to advise you on risk, such as the Section 151 officer or Monitoring Officer.

### How to proceed:
Brief your Chief Executive or the relevant Director before anything is on paper. Share the Case for Action and explain that the wider suite of documents are available for officers to work up, and ask for a reasonable timetable for turnaround. This gives Officers ownership from the start and reduces the chance of a defensive or heavily cave-ated Decision Paper. The likely route would be for the completed Decision Paper and Strategy to be adopted to be presented for decision at Cabinet, though you may also want to bring this via a Motion to Full Council if you think this will garner better cross-party engagement and ownership of the Strategy as a whole.

### Avoiding common pitfalls:
As implementation begins, Officers across Estates, Legal, Procurement and Finance will encounter questions they have not dealt with before. Make sure they know about the Barrier-Busting Resources in Part 2 of this toolkit. It would be prudent to engage with the Chair of the Overview and Scrutiny Committee at an early stage, since monitoring and reporting may be something they would wish their Committee to comment on early.

B

# PATHWAY B: Portfolio Holder without an obvious brief for community energy

### Who you are:

You are enthusiastic about community energy but this does not sit squarely in your portfolio, since the actual activity is ultimately about assets/property and energy purchasing. You will need to bring this to the attention of your Cabinet colleague(s) who cover those roles. Have an informal conversation with them before anything formal. If they are willing to lead, give them the Case for Action and offer to provide support. If they are happy for you to lead, ask them to work with you to meet with senior Officers in the Estates, Legal and Procurement teams to work up the Decision Paper.

### How to proceed:

From this point, the process would proceed as with Pathway A.

### Avoiding common pitfalls:

If your colleagues in Assets/Estates are entirely unwilling to engage with this idea, you may need to bring it via the Leader to the Cabinet or even your wider political group. This obviously carries some risks of conflict within the group. Bringing a Motion against your own leadership is a very high risk approach, and not recommended.

C

# PATHWAY C: Backbench Administration Member

### Who you are:

You are a member of the party who form the Administration, but you cannot make this happen alone. Your route, as for Pathway B, has to be through the relevant Portfolio Holder, and your job is to build enough of a case that the Portfolio Holder feels confident picking this up.

### How to proceed:

Use the Case for Action to prepare a short private briefing. Identify whoever you think is likely to be the single most receptive Portfolio Holder, which could be Assets/Estates or Finance rather than Environment or Climate, then build support through the Cabinet generally so that the ultimate request feels like more of a team effort. Then request an informal meeting with the appropriate Portfolio Holder, framed as: “I/we have been looking at this and think there might be something in it, would you be willing to have a look?” At this meeting you could introduce them to the range of resources in this pack and see if they are willing to engage and take ownership of it, or if they are happy for you to lead and work with Officers in their area of the Council. If so, it would proceed as per Pathway A.

### Avoiding common pitfalls:

If the Portfolio Holder route fails after a genuine attempt, Scrutiny Committee questions or a Member development session could be another way to raise the profile of the issue over time. Bringing a Motion against your own leadership is a very high risk approach, and not recommended.

# D PATHWAY D: Opposition Councillor with a cross-party co-sponsor

### Who you are:
You are not part of the Administration but have a good working relationship with a member of the Administration, or you at least feel that there will be a 'meeting of minds' on this issue. Before approaching anyone, do your homework by really familiarising yourself with these documents and the Case Studies, and be able to answer, "How does the Council benefit from this?" in under two minutes.

### How to proceed:
Approach the potential co-sponsor privately and informally. If they are interested, and are also in the Cabinet, you may be able to get the Strategy picked up via the routes in Pathways A or B above, if they are willing to champion it. But it may also be worth really embedding the idea as a cross-party initiative, by working with your opposite party colleague to adapt the Motion template together, so that you can Propose and Second it together at a Full Council meeting.

As with previous pathways, Officers should be fully briefed before tabling, and you and your co-sponsor should understand staff pressures and have worked with them to produce a realistic timetable in which they could properly populate the Decision Paper and Strategy.

### Avoiding common pitfalls:
Time the Motion carefully, avoiding budget cycles, election proximity, and meetings where other contentious items will have raised the political temperature and might dampen support.

# E PATHWAY E: Opposition Councillor, no cross-party support

### Who you are:
You want to get support for a Strategy, but it seems very unlikely that a Motion would succeed because of your specific seat arithmetic and other current debates in Council. A Motion tabled by an Opposition Councillor without cross-party support in a Council with a comfortable Administration majority will almost certainly be defeated, and a defeated Motion gives the Administration a mandate to say the Council has already considered this and declined to pursue it, so it is an extremely risky move to bring it.

### How to proceed:
There are alternatives to a Motion: you could use scrutiny, or Full Council questions to ask the relevant Portfolio Holder whether the Council has considered the financial case for supporting local community energy, and to raise awareness that the Council might be missing out on the forthcoming GB Energy funding if it does not have a strategic approach in place. Alternatively, you could support a local Community Energy Group to make representations independently (they may even find that their Ward Councillor is serendipitously also a relevant Portfolio Holder!)

F

# PATHWAY F:
# Junior Officer, no senior support

### Who you are:
You are keen to make this happen, and you're probably in the Climate or Community Resilience team, but you do not have the seniority or internal sponsorship to take this forward with much chance of success.

### Likely risks:
Do not approach elected Members about a policy initiative without first discussing with internal Officer colleagues.

### How to proceed:
Identify a senior Officer who might be receptive, your line manager if possible, or a colleague at a more senior grade if you believe that would be better without ruffling feathers.  Look outside your own Directorate: Finance Officers who understand the "no capital cost" argument could be very receptive.

Use the Case for Action to prepare a short internal briefing note and request a conversation with a small but carefully curated group of Officers with Finance, Estates, Procurement and energy purchasing responsibility.

### Avoiding common pitfalls:
Present the wider context, the GBE funding, and the resources in this pack to show how much work has already been done to help make this a reality in councils who haven't started yet.  Your aim is to get senior officers on board who will either take this to the appropriate Portfolio Holder or Committee, or who will sanction you doing so directly with their approval and support.

G

# PATHWAY G:
# Senior Officer
# no political champion yet

### Who you are:
You're the same person as Pathway H, but you are not confident that you will be able to secure political support for this initiative.

### How to proceed:
Produce an internal scoping note using the Case for Action, Case Studies, forthcoming GB Energy funding etc., and offer a Member briefing session, without any expectation of commitment.  It is for you to decide, based on your local circumstances, whether an all-Member or an Administration-only session would be more fruitful.  Your aim would be to secure a political champion for this work, so that you can then progress as per Pathway H.

## PATHWAY H: Senior Officer with a political champion

**Who you are:** You're relatively senior in the organisation, perhaps you have responsibilities for Estates/Assets or energy purchasing that directly intersect with this initiative. You have a good working relationship with a Portfolio Holder who you feel sure will see the benefits and will want to see the Decision Paper come forward. (Alternatively, your Councillor support may come from the backbenches, or opposition, in which case you should consult Pathways B to E and adapt your approach accordingly).

**How to proceed:** Whoever your political supporters are, you will want to be sure to gain the understanding and support of other Officers whose specialisms intersect with the Strategy, particularly those who may end up tasked with leading it, if you don't think that will be you. Use the resources in this Guide to arrange an initial scoping meeting with relevant colleagues, to map out a reasonable timetable in which you think the organisation could bring forward the completed Decision Papers etc. for political approval, and then propose this timetable to the elected Members in the normal way.

## PATHWAY I: Community Energy Group

**Who you are:** You represent a Community Energy Group that wants to work with the Council. You know that this toolkit is not specifically written for you, rather, it is written for the Council Officers and elected Members you are trying to work with. But you may be the one to put it in their hands, and this pathway is here to help you think about how to do that well.

**How to proceed:** The most important thing to understand is that 'the Council' is not a single entity. An Officer or Councillor you may have built a relationship with (often in a sustainability or climate role) is very likely not the person with the authority to grant you a roof lease, sign off a procurement process, or adopt a community solar strategy. That authority sits elsewhere, and this toolkit is designed to help the right people within the Council use it. There is also a document in this toolkit specifically written to help you understand how your Council works: who holds which powers, how decisions are made, and what Local Government Reorganisation (LGR) means for you. This is called **How Your Council Works – A Guide for Community Energy Groups** (in Part 2 of this toolkit).

When you are thinking about who at the Council to give this toolkit to, the summary in the guide above should help. In summary, an Officer in Estates, Finance, or a senior sustainability role with director-level backing may be a better recipient than a junior Officer in the Climate team, however well-intentioned. Similarly, a Portfolio Holder for Assets or Finance is probably a better recipient than a backbench Councillor who is enthusiastic about the environment.

**Avoiding common pitfalls:** Whatever you do, do not send it to a long list of Councillors with a covering email demanding that they act. That approach will potentially mark you as someone that doesn't understand how the Council works or its internal challenges. It risks framing you as an activist, rather than a potential delivery partner, making subsequent Officer conversations harder, not easier.

# 4. Frequently Raised Barriers

## Issues and concerns that are frequently raised when the concept of a community solar installation on Council land or buildings is proposed.

**The resources in this toolkit have been designed with the aim of tackling three common obstacles that prevent community energy activity progressing in any given local authority area:**

Common Obstacles

- **Lack of embedded corporate or senior level commitment to supporting the development of community-owned solar assets on Council land at a strategic level.**
- **Confusing overlap of responsibilities within the Council.**
- **Uncertainty about legal and procurement issues relating to community energy contracts.**

The Decision-Making elements of this toolkit are expressly designed to address the first of these barriers, and indeed, the main thrust of the toolkit is to help as many local authorities as possible to adopt a strategic approach to supporting the development of community-owned solar PV generating assets on their estates.

## A strategic approach prevents individual site issues blocking overall delivery.

Taking that strategy-adoption process as a guiding principle, many of the barriers that are frequently raised when community-owned solar projects are proposed can then be seen for what they really are: ***project-level objections.***

Where a local authority does not have a ***strategic approach*** to supporting community-owned solar on its assets, conversations tend to be focused too early on specific individual sites (frequently those that have been identified by the interested community group, rather than emerging from a comprehensive asset assessment led by the Council). Project-level discussions can continue for many months in a siloed fashion, restricted to certain teams or even to individual Officers with no shared, corporate-level understanding of how or why the community energy projects can contribute to delivery of the Council's duties and corporate priorities. A single project is considered, a single project fails – frequently as a result of site-level issues that could have been known earlier if more opportunity for cross-departmental working had been available – and very often this spells the end of the attempt for a local authority and community energy organisation to work together.

# How do we know what the barriers are?

The project team undertook a series of conferences, workshops and webinars to challenge, test and develop their understanding of the barriers being experienced by the community energy sector when working with local authorities. Participants were asked to brainstorm the types of barriers that have been raised with them, and which have prevented them from making progress on community energy projects in their area. Participants included community energy representatives, local authority Officers, and local authority Councillors. This collection of 'Frequently Raised Barriers' is organised into three sections.

> Where a local authority does not have a strategic approach to supporting community-owned solar on its assets, conversations tend to be focused too early on specific individual sites (frequently those that have been identified by the interested community group, rather than emerging from a comprehensive asset assessment led by the Council).

## 1 Strategic-level Barriers

The first Section addresses **strategic-level** concerns that you will need to be able to confidently address and reassure colleagues on as you work to bring forward the Decision Paper and get a Strategy adopted. These will affect every site that comes forward. There needs to be a shared understanding that these strategic concerns are (a) not insurmountable and (b) have largely already been addressed by other local authorities working with community groups in their area.

## 2 Legal and Procurement Barriers

The second section covers **legal and procurement** concerns. This section considers a set of commonly-raised questions about the three broad elements of a community solar project that have to be negotiated to bring the whole package together – a site lease, a Power Purchase Agreement (PPA), and an appropriate and defensible procurement route.

## 3 Project-level Barriers

The final section covers **project-level** considerations. Although these are often the first to be raised, they relate to individual buildings and sites rather than to the overarching principle of the Council having a strategy to support community solar on its estate. Officers and Members championing the idea of a Strategy on Community Solar on Council Assets need to be able to address project-level barriers confidently, but should note that it is often where a Council does not have a clear, senior level commitment to a strategic approach that these sort of objections tend to surface and carry the most weight. They are most likely symptoms of Council-wide pressure on resources that mean Officers in one team will feel that a small community group asking for access to a particular building is a distraction from their day-to-day work.

Where a strategy has been adopted, then a fuller asset assessment is triggered. At that point, the barriers in the second section list will often reveal themselves to be merely inputs to that site prioritisation process.

# 4.1 Strategic-level barriers

**These are addressed by theme below. These sorts of comments and questions, if raised, would need to be addressed to the satisfaction of your Officer colleagues and fellow elected Members in order to move the Decision Paper forward and adopt the Strategy.**

**"We understand the principle, but our planning and estates teams are already at full stretch. We just don't have the bandwidth to take on something new."**

*"We'd love to do this but there's nobody to drive it."*

"Every time we try to progress a community energy project it falls to the bottom of the pile because there's always something more urgent."

## Lack of resource as a 'meta-barrier'

This barrier is surfaced here first because it affects everything else.

Budget and staff pressures in local government (exacerbated in some areas by the pressure of Local Government Reorganisation) mean that many local authority teams are somewhat trapped into doing what they *must* do, rather than what they *should* do: urgent work tends to crowd out important work. As a consequence, in the community energy context, enquiries from community groups are handled reactively rather than strategically, increasing the chance of failure. This in turn reinforces the perception that community energy is difficult and time-consuming, making the next enquiry even harder to progress.

The example strategic papers in the Decision-Making part of this toolkit are designed to help break this cycle.

When used in combination with the 'Frequently Raised Barrier' responses collated together below, and links to relevant PPA, lease template and procurement approaches used elsewhere, the aim is that senior commitment can be secured fairly quickly for a defined programme of work with clear milestones and deliverables.

As the Case Studies in this resource demonstrate, providing a strategic allocation of time from within the Council to allow community energy activity to properly establish and ***ultimately support itself*** means that, over the medium to long term, a local institution will emerge that will eventually increase local resilience, reducing community dependency on the Council. In turn, this will help to mitigate, rather than exacerbate, the Council's resource pressures.

# Council self-installation of solar PV as an alternative to the community model

**"These are our buildings and it would be simpler for us to do this ourselves"**

*"If we put the solar on our own buildings then we get all of the free electricity, rather than just a discounted PPA"*

"We should wait because the Government is likely to give the council a direct grant to put solar on our own buildings soon"

**It is certainly true that a Council that installs solar on its own buildings using its own capital will, once the installation is paid for, receive all of the electricity generated for free. The community solar model, by contrast, gives the Council a discounted rate rather than free electricity.**

On a narrow financial comparison, self-installation is therefore a good idea. However, it must be set against other factors:

Key consideratons

- **Opportunity cost -** if the Council allocates capital for solar PV, that capital is not available for other Council priorities. Those other priorities may not have another route to funding, whereas the community energy route provides an alternative way for a local share offer to secure the installation capital for solar.
- **Resource cost -** if the Council self-installs, the entire project management burden falls to the Council's own staff, both for the initial installation management, but also for the ongoing operation and maintenance. This requires skills and time that may not be available.
- **Community cost -** if the Council self-installs, the multiplier effect that community energy provides in the local area is not realised. The self-install model is a straightforward bill reduction/emissions reduction equation. The community model provides a lower direct bill reduction for the Council, the same carbon emissions reduction, and an alternative benefit in the form of local economic resilience and reinvested in local community benefit.

## Using Government grants to self-install

On the question of waiting for Government grants: as of mid-2026, there are no grants available for Councils to install solar on their own buildings as a standalone programme. The Government's current direction of travel is explicitly towards supporting Council-community energy partnerships rather than direct Council installation. Great British Energy's Local Power Plan, published in February 2026, commits up to £1 billion to support local and community energy projects and specifically identifies local authorities as delivery partners for community energy activity, with a Partnership Fund designed to support joint working between Councils and Community Energy Groups.

# Poor understanding of the concept of Community Energy

**"The council can't just enter into contracts with voluntary groups"**

*"We can't have unqualified volunteers installing solar on our buildings, they're not insured"*

"What if the volunteers move away...

...or the group folds?"

"What if the group decides to just change their stated purpose, or doesn't deliver on their community obligations?"

***"There isn't even a community energy group in our area anyway"***

**Statements like these all indicate a fundamental lack of understanding of the Community Energy sector. As an Officer or Councillor promoting the idea of Community Solar on Council Assets, you should always be clear that 'Community Energy Groups' is a catch-all term used to describe *fully incorporated community-based organisations* that deliver energy services in their communities. The shorthand 'Community Energy Group' does not signify a lack of professionalism. The questions and answers below will help you to frame your communication of this and reassure colleagues.**

## How does the Council know that a community energy group is professional enough to work with?

Any 'Community Energy Group' looking to work with the Council to install solar on assets would need to be incorporated, with a legal form that provides substantial protection for the Council's interests, long-term. Most community energy groups are legally constituted as a Community Benefit Society (BenCom or CBS) or Community Interest Company (CIC) and are thus subject to a legal device known as an asset lock.

An asset lock is a constitutional provision that prevents the distribution of residual assets to the community benefit society's Members (who are also shareholders); its purpose is to ensure that any retained surplus or residual value cannot be appropriated for the private benefit of Members and must instead be used for public or community benefit. In practical terms, this means that a properly constituted Community Energy Group cannot be sold, wound up, or converted into a company in order to distribute profits to shareholders or Members. If a community benefit society with a statutory asset lock is dissolved, any remaining assets (after all creditors and Members' share capital have been repaid) ***must transfer to another asset-locked body*** such as a charity, another community benefit society, or a Community Interest Company.

The asset lock for BenComs is enforceable by the Financial Conduct Authority under the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 and is not alterable by the group's Members without regulatory consent. The asset lock for CICs is similarly enforced by the CIC Regulator.

As with all incorporated organisations (including the many companies limited by guarantee and registered charities that the Council most likely already contracts with), incorporated Community Energy Organisations have Directors, file their accounts with their respective regulator, and have their own organisational bank accounts. When they install solar PV installations, they subcontract qualified installers to do this in exactly the same manner as any company would.

While they may grow from volunteer activity in the early days, and often maintain voluntary Boards (whose role is analogous to a Charity Trustee), they tend, as they grow, to directly employ staff (as well as supporting volunteer advice services). Indeed, the most successful incorporated Community Energy Organisations have been able to become local employers and providers of energy advice support to the wider community ***as a direct result*** of their early supportive relationship with their local authority, which allowed them to set up their first energy-generating assets and create a secure financial base.

## What if the Council is interested in supporting community energy, but there is no obvious Community Energy Group to work with in your area?

Crucially, the community energy sector also benefits from a unique enabling infrastructure: several organisations exist nationally to provide handholding and mentoring support to allow new Community Energy Groups to establish and professionalise, handling project commissioning, share offers, Member interest distribution and a range of other tasks while the local Community Energy Group builds its expertise. An excellent recent example of this can be found in the North Lincolnshire Council case study. Since there was no pre-existing group in the Council's area, but they were keen to bring these wider benefits to the locality, North Lincolnshire Council contracted an intermediary organisation to establish and support the development of North Lincolnshire Community Energy. Another approach to solving this problem was taken by Plymouth City Council back in 2013, who set up Plymouth Energy Community from within the Council itself, supporting it to become a separate body over time.

The community energy sector also has its own trade body, Community Energy England, which provides training and opportunities for collaboration, as well as informing policy through wider advocacy and campaigning work.

A separate checklist (the **Partnership Assessment Framework**) has been included in this toolkit to help you formally document how you have assessed the partnership potential of a Community Energy Group that you are exploring working with.

# How can the Council be sure the Community Energy Group won't change their objectives, replace their Board, or drift away from their community purpose?

Every incorporated Community Energy Group operates under a founding constitutional document that defines who the organisation is, what it exists to do, who it benefits, and how it is governed. For a BenCom this document is called 'The Rules', which they must register with (and have approved by) the Financial Conduct Authority (FCA). For a CIC, it is the Articles of Association, filed at Companies House, and overseen by the Regulator of Community Interest Companies.

Neither type of organisation can easily alter this document: BenComs must secure the approval of the FCA, who will scrutinise any proposed amendment and will not approve changes that would undermine the community benefit purpose on which the Society was registered. A CIC amends its Articles through a special resolution of Members, which must then be filed at Companies House and is subject to review by the CIC Regulator.

There is also a further mechanism available, demonstrated in practice by Barnsley Metropolitan Borough Council in its partnership with Community Energy Group Energise Barnsley, a registered community benefit society (see Case Study section). As the solar installation work with Energise Barnsley scaled from a few hundred to a thousand Council homes, a Deed of Variation was used to formally embed the Council in the governance of the Community Energy Group as a Custodian Trustee, giving the Council the right to receive all Board papers at the same time as Directors; the right to examine the organisation's registers and records; the right to require a governance audit where it has concerns; the right to be consulted on proposed Director appointments; the right to report annually to Members on the adequacy of governance arrangements; and the right to suspend a Director for up to 30 days where it reasonably believes that Director is failing their fiduciary duties.

The Custodian Trustee model can in principle be reflected in any incorporated organisation's constitutional documents, but it works most robustly when the organisation is a BenCom because of the more hands-on role of the FCA, whose oversight means the Council's governance rights cannot be stripped out by a Member vote alone and must first be submitted to the FCA for proactive approval. A CIC's Articles of Association, by contrast, can be amended by a special resolution of Members and filed at Companies House, making the CIC regulator role comparatively reactive by contrast, but nonetheless providing some protection.

# Concerns about liabilities for assets

**"What happens if the group folds – who owns the array?"**

**"What happens at the end – we don't have money to decommission the array?"**

"Who pays for maintenance?"

"What happens if we need to get to the roof to mend it?"

***"What happens if they damage the roof when installing?"***

**"What if we decide to sell the building before the lease term is up?"**

**These are questions that would be asked for any analogous commercial operator who were to enter into a lease for one of the Council's roofs, and these questions would all be dealt with as part of the lease conditions for each site. To some degree then, these are Project-level objections, but since they will be raised about every site, it is worth familiarising yourself with how other Councils have dealt with these broad questions already. In all cases, these would be dealt with in specific lease terms for each site, and professional legal advice should be sought for your project. The advice below outlines the approach taken by existing community energy/local authority collaborations.**

## If the community group folds, who owns the array?

The legal structure of a properly constituted Community Energy Group resolves this concern, as explained above. A community benefit society (CBS) cannot simply be dissolved and its assets distributed to Members.
The asset lock, enforceable by the regulatory body, means that if the CBS is wound up, any remaining assets must transfer to another asset-locked body.

The solar array does not become ownerless, and it does not automatically fall to the Council to deal with although (if the Council prefers), the lease can also contain specific provisions requiring the group to notify the Council of any insolvency event, and giving the Council first-refusal step-in rights in that eventuality.

# Who pays for maintenance, and what if there is damage during installation?

It is common practice in community solar projects that the capital cost of installation, and all ongoing operation and maintenance costs throughout the lease term, are borne entirely by the Community Energy Group. The Council has no maintenance liability at any point during the lease. The Community Energy Group will carry full public liability insurance covering the installation process and the ongoing operation of the array. It will also be required by the lease to carry sufficient Public Liability insurance to indemnify the landlord against all liabilities resulting from the panel installation and hosting. Councils will need to work with their partner Community Energy Group to confirm the level of cover required on each site.

# What happens if the Council needs to access the roof under the solar panels to carry out repairs?

Example community solar leases are available, such as those used by Repowering London to support Community Energy Groups across London Boroughs (available via the London Councils toolkit, solar PV section1). In these proven lease approaches, conditions are agreed to allow the Council to retain the right to require the community group to suspend or remove the solar array to allow roof works, on giving three months' written notice (with a shorter notice period for genuine emergencies). For short interruptions this is usually the Community Energy Group's risk to manage. However, in this approach, the balance of risk is usually shared such that, if the Council's works mean the array is out of operation for more than 60 days in any five-year period, the Council will owe the community group compensation for lost income. Your Council would work with the group during lease negotiations to ensure this compensation is capped at a defined figure (for example at £12,766 in a Hammersmith and Fulham example where the full array cost was ~£122k, see London Councils Toolkit by Regen). This defined liability can be covered from a revenue maintenance budget should the circumstance arise. A good asset assessment at the outset (prioritising roofs in good structural order on buildings that are not scheduled for major maintenance) will also reduce the risk that this clause will need to be triggered.

If the Council's works are so extensive that the array cannot operate for more than 12 consecutive months, established leases often include a clause that the Community Energy Group has the right to terminate the lease entirely, with appropriate compensation agreed during the lease negotiations.

In all cases, the community group should reflect these conditions transparently to its Members as part of its share offer documentation, so investors understand the circumstances in which their income stream could be interrupted.

## What happens at the end of the lease? Does the Council have to pay to decommission the array?

Not unless you have agreed to this in the lease. At the end of the lease term (usually 15-20 years) these projects are usually negotiated so that the Council has a choice: the panels can be removed by the Community Energy Group at no cost to the Council, or ownership of the panels transfers to the Council at no cost, providing free or near-free electricity generation for the remainder of the asset's serviceable life (panels are typically guaranteed for 25 years, but produce energy for much longer. They typically lose efficiency at a rate of 1% per year, so ater a 20-year lease has ended they will still be around 80% as efficient as when they are installed). The decommissioning cost, if the Council chooses removal, is usually the Community Energy Group's liability, unless otherwise agreed in the lease. The Community Energy Group will build all costs and liabilities in their financial model and this will be emphasised in the share offer documentation.

## What if the Council decides to sell the building, or needs to redevelop it, before the lease is up?

The leases can contain a landlord break option, exercisable on defined grounds, including redevelopment or disposal. If the Council exercises this option, it pays the Community Energy Group a compensation amount on a sliding scale tied to the residual value of the installation, starting at full replacement value in Year 1 and declining to a nominal amount by the final year. This is a pre-agreed schedule, set out in the lease, so the Council knows its maximum liability at any point in the term before it signs. It is not open-ended. Again, a good asset assessment process should avoid early buyouts of this nature.

In some arrangements there is an option for the Council to buy out the installation outright after Year 5, at the depreciated asset value and without surcharge or penalty. Rather than paying compensation for lost income, the Council buys the asset outright, and the Community Energy Group uses the buyout payment to repay its investors. Though this approach gives risk-averse Councils the reassurance of an early-exit route, if triggered it would reduce the wider benefits to the community beyond the recycling of local investors' money back into the local economy. As with all such provisions, the Community Energy Group would need to reflect the existence and terms of the buyout option in its share offer documentation, so that investors understand it as a feature of the arrangement from the outset.

## What if there is no long-term budget allocation to remove the panels at the end of their working life?

Under the community lease model, a common arrangement is for ownership of the panels to transfer, free of charge, to the Council at the end of the lease term (usually around 20 years). Given that the standard operating life of the panels is 25 years, and many continue to function well even after that, this can actually be a real boon for the Council. But of course, there will eventually come a day when they will have to be decommissioned. Arrangements exist where the Council determines at the outset that it does not want to bear this responsibility, and writes into the terms of the lease that the community group is responsible for the removal of the system at lease-end, or the Council can use some of the savings accrued over the 20-30 year operating life of the panels to build up a decommissioning fund. Either way, this is a long-term planning decision that should not derail planning for a single site and is certainly not a barrier to a general strategy.

# Concerns about what Councils can commit to during LGR

**"We're not allowed to commit the successor authority to any long-term agreements."**

*"We've been told by the legal team that we can't sign any contracts of this nature until after vesting day."*

"Now is just not the right time, we need to wait until the new council is in place."

**The mechanisms guiding how Local Government Reorganisation works are found in the Local Government and Public Involvement in Health Act 2007. While detailed, the provisions contain no absolute bar on existing councils entering into contracts during the LGR transition period. However, you will need to understand the stage that your council is at, and whether particular Orders, Directions or Consents have been issued for your area. The information below provides high-level guidance, seek clarification on your specific local circumstances from your legal colleagues.**

Once an area's proposals for how it will be reorganised under LGR are accepted by Government, then a Structural Changes Order (SCO) is issued under the provisions set out in Section 7 of the Act. The SCO defines how the current local government structures will be abolished and what will replace them, giving the new Council names, boundaries, Councillor numbers and so on. The SCO describes how functions, property, contracts etc will pass from the old authority to the successor authority, and makes arrangements for what type of 'shadow authority' will be in place to manage this transition.

Nothing in the SCO itself prevents the existing Councils from continuing to enter into contracts and transacting their day-to-day business. Subsequent to the issue of the SCO, the Secretary of State may choose to issue a Section 24 Direction (so named for S.24 of the same act). It is misunderstandings about the nature and purpose of this Direction that create the sense that local authorities that are to be abolished in LGR cannot then enter into contracts.

# Understanding the purpose and function of a Section 24 Direction

If the Secretary of State chooses to issue an S.24 Direction, he or she is requiring predecessor Councils to obtain written consent before making certain decisions that would bind the successor authority. Consent has to be given by the Secretary of State, or a body or individual authorised by them. In practice, this authorised body is normally the Cabinet/Executive of the Shadow Authority, once elections to that body have taken place the year before the official vesting date of the new authority. The Direction, if issued, is categorically not a blanket ban on new commitments. It is a targeted consent mechanism covering three specific categories of transaction:

**Disposal of land where the consideration for the disposal exceeds £100,000.**

For the purposes of community solar, this is important as it covers all grants of leases (because granting any interest in land is a disposal for the purposes of the S.24 Direction). However, the important threshold is whether the consideration received by the Council exceeds £100,000. In a community solar project, the consideration received by the Council is a peppercorn rent, and therefore consent is unlikely to be needed.

**Entering into capital contracts where the consideration payable by the Council exceeds £1,000,000.**

A community solar arrangement requires no capital expenditure by the Council and therefore consent is unlikely to be needed.

**Entering into non-capital contracts where the consideration payable by the Council exceeds £100,000 and the contract extends beyond a date specified in the S.24 Direction.**

In some cases a community solar project would exceed these limits. For example if the S.24 Direction limits contracts to not more than 5 years, or if the total energy sales from the PV array would exceed £100k. A planned concession contract running over 20 years, particularly for a large array, could result in income from energy sales via the PPA that would breach the threshold.

## Check your Council's situation vis-à-vis LGR

If you have been told that LGR prevents the Council from entering into new commitments, you should ask the Monitoring Officer to confirm:

- **whether a Section 24 Direction has actually been issued for the area;**
- **if so, what specific terms, dates and thresholds are specified within it; and finally**
- **whether a General Consent is also in place, and what it covers.**

This final point is important because in practice, many day-to day spending decisions still have to be made during the transition period, and it would create a serious administrative bottleneck if every decision of substance had to receive individual consent. A General Consent order is usually made on or near to the same day that a Section 24 Direction takes effect, and usually defines a range of Council business transactions that can continue without case-by-case approval. The MHCLG guidance for the current round of transitions (https://www.gov.uk/government/publications/local-government-reorganisation-implementation-guidance) explicitly states that Shadow Councils "should put in place proportionate arrangements, such as general consent for particular types of spend, to provide appropriate oversight while avoiding unnecessary delays or risks to service delivery."

# Should Councils commit the successor authority to long-term arrangements?

The concern that a predecessor Council should not tie the hands of its successor is understandable, and the consideration varies depending on what commitment is actually being made. These are outlined in the box below.

## Adopting strategies during the transition period

Adopting a Community Solar on Council Assets Strategy itself is not a capital or contractual commitment of any sort. It is a policy position. Here you are not affected by the provisions of any S.24 Direction, and therefore any suggestion that Section 24 prevents the adoption of a new strategy during the transition period is mistaken about the functions of a Section 24 Direction.

More pertinently, adoption of the Strategy before vesting day is a practical question about what will most likely lead to long-term support for community energy activity in the area. A new unitary authority arriving on vesting day will have a busy agenda and many urgent statutory deliverables. In such circumstances, a community solar programme is not going to be at the top of the agenda. However, an existing strategy already in place means not only that substantial legwork has already been done in the area that your Council currently covers, but that there is potential for an immediate multiplier effect. For example, if an area currently has six District Councils that will be subsumed into a new unitary area, but only one of those six districts has an extant Community Solar Strategy (as per this resource guidance), then the successor authority, reviewing what it has inherited, will find a ready-made strategic framework, an asset assessment methodology, a template lease, a procurement approach, and potentially an established community energy partner already operating on some of its estate. If the successor authority were to then adopt that framework as its own starting point and extend it across the full area of the new authority, the wider impacts of that would be substantial.

## Entering into individual solar lease contracts and PPAs during the transition period

If your Council has adopted a Community Solar on Council Assets Strategy within the LGR transition period, you may find you can progress one more leases and PPAs before Vesting Day under a General Consent Order – your Monitoring Officer can advise on the terms and limits of such an order, if in place. If such contracts would need individual consent, there is no reason to automatically assume consent would not be forthcoming. A successor authority may be keen to inherit buildings with solar panels already installed, generating electricity at a below-market rate, at zero capital cost to the Council, with the panels transferring to Council ownership at the end of the term. The main thing to be cognisant of during the transition period will therefore be estate rational-isation, avoiding prioritising buildings that may be disposed as part of an estate rationalisation process, post-vesting day.

# 4.2 Legal and Procurement barriers

**The standard structure for a community solar project on Council assets means that it touches on the work of your Assets team, your Legal department, your Procurement department, and your Energy Purchasing team. You will therefore need to make sure that you engage with them early to assuage any concerns they are likely to raise if they are not familiar with the structure of such projects.**

## Principal elements of a Community Solar project on a Council asset

### ASSET ASSESSMENT AND PRIORITISATION

**(Asset Management/Estates Management Team, Energy Purchasing Team)**

The Council's building stock is assessed for solar suitability, including roof orientation, aspect and estimated array size; structural condition and remaining serviceable life; energy consumption profile and patterns of use; planning and heritage constraints; status and renewal date of any existing energy supply contract; planned capital works, disposal or change of use within the foreseeable community solar lease term; occupancy arrangements; grid connection and metering suitability; occupancy and consent arrangements.

### LEASE

**(Legal Team)**

A lease is arranged that allows the Community Energy Group to install and manage a solar array on the Council's roof or land. The lease is normally arranged at a peppercorn rent. Your Legal Team colleagues may have concerns about how this can be arranged within the Council's duty to secure best value in its operations.

### POWER PURCHASE AGREEMENT

**(Legal/Energy Purchasing Team)**

The Community Energy Group sells the electricity from the array to the Council (where the Council occupies the building directly), or its tenant/occupier (for example an Academy School, or leisure centre operator). Your Energy Purchasing and Legal Team colleagues may have concerns about the workloads involved in arranging a bespoke PPA, liabilities around PPAs as debt, and what happens during tenancy void periods.

### PROCUREMENT PATHWAY

**(Procurement Team/Legal Team)**

Many existing community energy projects were established before changes to the procurement and subsidy regulatory regimes post-2015, in particular the Subsidy Control Act 2022 and the Procurement Act 2023. Procurement Team colleagues may raise concerns that existing approaches cannot be easily replicated now.

In the current regulatory environment, where a Council proactively procures a delivery partner to put generating assets on its buildings and sell the generated electricity, this is likely to constitute a Concession Contract.

# Concerns about leases

**The approach already taken by other Councils who have offered peppercorn rent roof leases to Community Energy Groups is that they can do so by dint of the following provisions:**

*"We can't offer a peppercorn lease to community groups, we have to secure best value"*

"We have been told that licences are easier than leases"

Provisions

- **Section 2, Local Government Act 2000 (Well-being power)**[2]
  This provides a broad power to do anything the Council considers likely to promote or improve the economic, social or environmental well-being of its area. Granting a lease to a Community Energy Group and entering into a PPA falls within this power.
- **Section 1 of the Localism Act 2011, (General Power of Competence)**[3]
  This gives the Council the power to do anything an individual can do, subject to any statutory constraints on the Council's powers.
- **Section 123, Local Government Act 1972** [4]
  This governs disposal of land. While a peppercorn lease to a Community Energy Group almost certainly constitutes a 'disposal below best consideration', the additional provisions of the **General Disposal Consent (2003)**[5] permits this where the undervalue does not exceed £2m AND where the disposal can be shown to contribute to area well-being. A Red Book (RICS) valuation should be obtained for each site to confirm that any undervalue does not exceed £2m, and the community benefit should be well documented and justified.

[2] https://www.legislation.gov.uk/ukpga/2000/22/section/2/enacted
[3] https://www.legislation.gov.uk/ukpga/2011/20/section/1
[4] https://www.legislation.gov.uk/ukpga/1972/70/section/123
[5] https://www.gov.uk/government/publications/disposal-of-land-for-less-than-the-best-consideration-that-can-reasonably-be-obtained-circular-06-2003

# Are licences to operate a better option than leases?

A licence tends to be simpler and cheaper to execute than a lease. However, the choice between lease and licence has consequences that could matter considerably more for the Community Energy Group and its investors than for the Council.

**A lease** creates a proprietary interest in land and therefore it grants the Community Energy Group exclusive possession of a defined area for an agreed term, and it binds successors in title automatically as a matter of property law. Therefore, if the building is sold, transferred, or vested in a new authority through LGR, the Community Energy Group's rights under the lease are preserved without any further agreement being needed.

**A licence** is by default a personal permission between the two original parties. It does not create the same proprietary interest and does not automatically bind anyone who was not party to the original agreement.

While it is possible (and common) to draft a clause into a licence that creates a similar effect of binding successors in title, this does not have exactly the same legal effect as a lease. For a Community Energy Group that has raised capital from local investors through a share offer on the basis of a 20-year income stream, their returns depend on the group being able to operate the array for the full term. Any legal uncertainty about tenure is a risk that the group will have to disclose in its share offer documentation, and that disclosure may complicate fundraising or increase the cost of capital.

A final consideration is that, in practice, a licence that is drafted robustly enough to provide the Community Energy Group with the tenure security it needs would likely need to contain so many of the same provisions as a lease, such that the ideal simplicity of the licence largely disappears. The Council's Legal team may then find themselves reviewing a document that raises all the same questions as a lease in any case.

Camden Council's model, which uses tripartite licences rather than leases, demonstrates that a licence-based approach can work in practice (but it is important to note that Camden is not currently subject to LGR and therefore there is a lower likelihood of buildings and assets changing owner than in LGR areas).

Template leases are available from the London Councils toolkit created by Regen and from the North East and Yorkshire Hub via the Net Zero Go website.[6]

***Legal advice should be sought on the appropriate instrument for each site, having particular regard to whether the Council is subject to LGR, the appropriateness of leases or licences for your specific circumstances, and what the Community Energy Group will need to disclose in their community share offer documentation.***

[6] https://www.regen.co.uk/insights/toolkit-aims-to-help-london-authorities-empower-community-energy-in-their-area

# Concerns about Power Purchase Agreements

***"We have heard that the Department for Education and the Treasury have reclassified long term solar PPAs with schools as debt"***

"We can't allow a PPA with one of our tenants as the liability will fall to us in void periods"

"We don't have the staff capacity to check or develop bespoke PPAs for this sort of arrangement"

***"A 20-year lease and PPA is a long time, what if the retail price of energy drops and we end up paying more?"***

**A Power Purchase Agreement (PPA) is a contractual arrangement under which the Council (or the occupier of a Council building) agrees to purchase the electricity generated by the solar array from the Community Energy Group, at an agreed price, for the duration of the lease. Rather than paying full retail rates to its Grid supplier for the electricity the solar panels generate on site, the building occupier pays a lower rate to the community group. The PPA generally sits alongside an existing supply contract for periods when the solar array is not generating sufficient electricity to meet demand, and simply draws on the cheaper solar-generated electricity when it is available.**

While the PPA can sometimes be included within the roof lease, a PPA is typically its own separate document which may or may not be tied back to the lease through specific clauses.

The PPA for a community solar project on a public building can be proposed by either the community energy group or the public body, however both sides should take individual legal advice on its content before signing. There is often a lack of expertise in the development of PPAs in both the community energy and public sector space. To support these sectors, the North East and Yorkshire Net Zero Hub has worked with Muckle LLP to develop a template PPA that is free to use for Community Energy Groups and local authorities. The PPA has been developed for use in a theoretical project installing solar on the rooftop of a business that owns and operates the building, but is specifically designed to be adaptable for different use cases.

The template PPA, the associated roof lease, and a guidance document are available to local authorities on Net Zero Go here : https://netzerogo.org.uk/

The template and guidance document highlight some key considerations in agreeing the PPA:

**Setting the PPA rate:** the standard method is to set a reasonable price (e.g. 17p/kWh) that rises annually with inflation to ensure financial costs and benefits are known for the long term, however there are options to discount against a benchmark to keep rates in line with the wider energy market.

**Setting a minimum consumption:** a minimum consumption threshold *can* be set to guarantee sufficient income to the project owner whereby if less than this amount is consumed, the user pays the minimum amount regardless. Note however that any purchasing arrangement that guarantees a minimum income to the community energy group could alter the nature of the contract from a Concession to a much lower threshold Subsidised Services contract. See the section below on Concession Contracts for further detail.

**Dealing with other leases:** projects work best when the building owner also operates the building or has a long-term lease with the ability to sub-let the roof, however the PPA can be separated from the roof lease to contract with different parties with a buffer included in the financial modelling for any period the building is unoccupied.

## Can schools have long-term PPAs for 'roof-rental' solar supply?

This concern is a current issue that has now been substantially resolved in practice. In 2025, the DfE paused approvals for school solar PPA projects while it considered the implications of Treasury treating long-term PPAs as a form of borrowing. The DfE's July 2026 guidance stipulates that applications for schools solar that are submitted after 15 July 2026 must use the new PPA and land lease templates, but also notes that these templates will not be published until autumn 2026 following a testing period. The guidance distinguishes between schools selected for the 150-school pilot (in Yorkshire & Humber, East Midlands, and South East) and other schools, but does not clearly specify whether non-pilot schools can proceed during the testing period or must also wait for template publication. This ambiguity therefore creates a de facto pause for projects on many schools. Consult the DfE guidance page at the time of your asset assessment for the latest developments: https://www.gov.uk/government/publications/power-purchase-agreement-pilot/funding-for-installing-solar-photovoltaic-panels-on-schools-and-colleges

## What if the Council ends up paying more for the solar electricity than it would have paid on the open market?

The type of PPAs used in community energy projects tend to address this through a cap and floor pricing mechanism. Rather than fixing the price absolutely, PPAs used in community solar projects usually set the solar tariff as a percentage discount against the building's prevailing electricity supply rate, within a defined maximum and minimum range.

Template PPA documentation developed by the North East and Yorkshire Energy Hub with Muckle LLP is available from https://netzerogo.org.uk/

## Who takes on the PPA if the building has a tenancy void period?

A useful approach is to structure the lease to ensure that the Council does not have any liability to take on the PPA in void periods, during which times the community group would instead export the entirety of the supply to the Grid instead. Since this would generate lower financial returns during that period, the Community Energy Group will need to build a buffer into their financial model to accommodate this risk.

This absence of a minimum offtake requirement is an important mechanism in relation to procurement routes. If the Council insulates the Community Energy Group from occupancy fluctuations, the value thresholds for full procurement processes may be much lower. Further detail is given below.

Minimising the risk of lengthy void periods is partly a function of the asset assessment process. Long tenancy voids are more of a risk where a building is in need of maintenance in general, since this makes it less appealing to future tenants and harder to let. Poor physical condition may in and of itself be a reason that a solar array should not be installed in any case.

A live issue to be aware of that affects the likelihood of void periods and building disposals is that there are falling school rolls in some areas, due to contracting birth rates. The Council's education team should therefore be closely involved in the asset assessment process to provide expert knowledge of how the wider school estate may need to be rationalised in the coming decades.

***As with all contracts, project-specific legal advice should be sought on the terms of any PPA before it is signed.***

# Concerns about appropriate procurement approaches

**"A contract of this size will have to be openly tendered – we can't just directly award it to a community organisation".**

"We can't be seen to have a preferred group – what if there are other community organi-sations who would bid for this roof lease?"

"This has to go through full procure-ment, because the council will have a PPA with the community organisation"

***"Roofs large enough for arrays of this size will attract commercial solar developers, we cannot exclude them from bidding, so we won't end up with a community project"***

**Procurement is one of the trickiest areas to negotiate with regard to community energy projects, in part because some of the earliest and most successful Community Energy Groups started in the period 2011-2015, before substantial regulatory changes were made, proceeding with their projects under some fairly 'low-friction' approaches. A few well-known examples are summarised in the Case Studies section, including the Bath & North East Somerset 'Co-operation Agreement' with Bath & West Community Energy, and Plymouth City Council's Service Level Agreement with Plymouth Energy Community.**

Other local authorities hoping to emulate these exact mechanisms for procurement pathways increasingly feel that these historically successful approaches could leave them open to challenge in the current regulatory environment for procurement. The principal regulatory changes that have occurred since the early days of community energy are the introduction of interim subsidy control measures after Brexit, which were formally replaced with the Subsidy Control Act 2022, and two significant pieces of legislation around procurement, starting with the Concession Contracts Regulations 2016, the provisions of which were largely fully incorporated into the Procurement Act of 2023.

For a Council looking to support community solar projects at this point in time, it is likely that any community solar project where there is a PPA with the Council or a maintained school would be structured as a Concession Contract (see Box) under the Procurement Act 2023, **so long as it is absolutely clear that the Community Energy Group really does bear the operating risk itself.**

## What is a Concession Contract?

Concession Contracts are defined in Section 8 of the Procurement Act 2023. Cabinet Office guidance on what constitutes a Concession Contract under the Act states that *"Under a concession contract, the supplier receives at least part of their remuneration from users of the works or services they are providing. As such, suppliers are exposed to a potential loss on their investment due to demand fluctuations. Concession Contracts can be for the supply of works or services."*[7]

A community solar project on Council assets is likely to be classified as a **services Concession Contract**. Although the Community Energy Group installs the solar array, the installation 'works' are a one-off act; the primary business operation over the contract term is the ongoing service of generating and selling electricity to the building occupier. It is that ongoing service, ***and the revenue and demand risk attached to it***, that defines the nature of the contract as a concession. The current threshold above which such contracts must be fully tendered is found in Schedule 1 of the Procurement Act 2023. As at June 2026, the value is **£5,193,000**, but the live schedule should be checked.

The defining characteristic of a concession is that the concessionaire really does bear the operating risk: if the array generates less income than projected, or costs are higher than expected, the financial consequences must fall to the Community Energy Group, not to the Council. If this circumstance correctly describes the projects you are planning, then the concession classification is likely to be appropriate.

However, if the Community Energy Group's risk exposure is materially reduced, then the arrangement may begin to resemble a publicly subsidised **service contract** rather than a true concession. A service contract with a sub-central government authority (i.e. a local Council) that does not fall within any other category currently attracts a threshold of only **£207,720** under Schedule 1 of the Act[8].

**This classification is a matter for the professional consideration of your Procurement and Legal teams.**
Any associated support the Council is providing to the Community Energy Group could affect the risk profile of their business and change the classification from the higher threshold Concession Contract to the lower threshold Service Contract. The Procurement Act 2023 is still generating its first body of case law, and Councils intending to provide grant support alongside a community solar arrangement must take specific legal advice on the correct contract classification before proceeding.

[7] https://www.gov.uk/government/publications/procurement-act-2023-guidance-documents-plan-phase/guidance-concession-contracts-html
[8] Live version of Schedule 1 of the Procurement Act on the government's legislation portal, containing current thresholds for full tender processes: https://www.legislation.gov.uk/ukpga/2023/54/schedule/1

## Concession Contracts and contract value thresholds

How Concession Contracts are advertised and awarded is subject to different regulations depending on the value of the contract, with projects being either 'above-threshold' or 'below-threshold', based on the value of the contract (see Schedule 1 of the Procurement Act for current thresholds). The value of a community solar contract therefore equals the total value over the period of the lease. A 20-year lease would represent a contract for 20x the annual predicted gross revenue generated from the array (i.e. the PPA payments plus any other revenue from grid export payments etc). If that value falls below the threshold, then the project is a 'below-threshold' project, and is not subject to most of the provisions that the Procurement Act stipulates, but you will still need to document that community solar projects hosted on Council assets are concession contracts by nature, and justify any direct awards or invited tenders in the usual manner.

## Approaches to procurement for community energy projects would need to be informed by the Procurement Act 2023 in particular, Section 22 and Section 56.

**Section 22** of the Procurement Act describes whether and how contracting authorities can impose participation conditions (i.e. restrict who can bid for contracts), and notes that any such restriction must be proportionate and related to the subject matter of the contract. Any such participation restrictions cannot break the rules on technical specifications of the contract. These are set out in Section 56 of the Act, which states that "The procurement documents may not refer to design, a particular licensing model or a description of characteristics in circumstances where they could appropriately refer to performance or functional requirements".

In practice, this means (as per **Section 56**), the Council should only specify the particular outcome features of the contract that it requires (for example that the service must include community finance raising and local surplus reinvestment as functional characteristics of what is being procured) rather than specifying the types of organisations who can bid, or asking for specific qualifications to be held where other, equivalent qualifications exist. In the community energy context, requiring bidders to take a particular legal form (for example 'bidders must be a Community Benefit Society') might therefore be seen as unlawfully excluding suppliers who take a different legal form but who feel they can demonstrate the required contract deliverables through some other structure. **Your Procurement and Legal Team colleagues should be consulted as early as possible about the likely outcome features you wish to specify.**

**Section 22** requires that any participation conditions imposed on bidders are proportionate and related to that subject matter. A constitutional, mandatory asset lock requirement is directly related to the subject matter, because it provides the mechanism that makes the local reinvestment commitment binding and permanent, ensuring that benefits stay in the local area. Given the multi-decade nature of most community energy projects, a contracting authority could argue that such a feature is a proportionate request. **Your Procurement and Legal Team colleagues must be consulted as early as possible about the type of participation features you wish to specify, to be sure your planned conditions are proportionate.**

**Three illustrative routes for how procurement could proceed in a way that maximises the chance of ensuring a genuine community energy delivery model (depending on the thresholds) are provided below.**

## Route 1:
## Below-threshold Direct Award via Contract Standing Order waiver

**Example: London Borough of Newham and Repowering Communities (Cabinet decision April 2024)**

Where a Council can demonstrate that there is only one organisation capable of delivering community solar on its buildings in the way it requires, it may be possible to secure a waiver of its Contract Standing Orders to make a direct award, without a competitive tender process. This route requires Cabinet approval and carries reputational risk if the justification is not robust, ***but once approved it can provide significant ongoing flexibility, since Cabinet can delegate authority for future contracts on the same basis*** (so long as the total cumulative value of sites to the same provider over time would not breach the thresholds in the Procurement Act 2023).

Newham's justification for direct award has two pillars.

- Firstly, Repowering London had already conducted GLA-funded solar potential mapping and feasibility assessments across the Borough's estate. This was preparatory work that no other organisation had done and which the council had not had to pay for.
- Secondly, the arrangement was structured to support the development of Newham Community Energy as a new, locally-rooted community energy body, with Repowering London acting as the enabling intermediary that will build NCE's capacity over time. The combination of these factors was considered by Newham's legal team to be sufficient to justify bypassing competitive tender.

The Newham Cabinet paper characterises the arrangement as a Concession Contract and confirms a total contract value of £2.3m across five sites (four primary schools and a leisure centre), falling below the relevant threshold, meaning it was regulated solely by the Council's own Contract Standing Orders rather than by national procurement legislation. Cabinet approved both the immediate contracts and a standing delegation to allow future contracts with the same provider to be agreed without returning to Cabinet each time (though note the importance of cumulative value here; Councils replicating this approach need to be cognisant of the aggregated full value of all contracts with the same provider over time, see page 53 below).

This approach is the most straightforward as it avoids engaging with centralised tendering platforms such as the Government's Find-A-Tender portal, which are required for larger, competitive commissions, and is only suitable for below-threshold projects and portfolios where a direct award justification is genuinely defensible. You must take legal advice on the justification and defensibility of your particular scheme.

# Route 2:
## Below-threshold Invited Tender with prior market engagement

**Example: London Borough of Camden (Market Engagement exercise July 2025, procurement strategy approved via Cabinet Decision Paper October 2025, bids currently in evaluation, Cabinet Decision Paper on award expected July/August 2026.)**

Where a Council cannot point to a single uniquely-capable provider, but the total contract value is still expected to fall below the Procurement Act threshold, a below-threshold invited tender following prior market engagement is a proportionate and legally sound approach.

### The London Borough of Camden's process illustrates how this can work in practice.

Camden published a Preliminary Market Engagement Notice on the Find-A-Tender service in July 2025, setting out its intention to procure a community energy partner on a concession contract to install solar and other energy-saving technologies on Council buildings including schools and leisure centres. The notice invited expressions of interest from organisations able to raise community finance, install and operate the equipment, and sell energy back to the host building over a 15-year term, with ownership transferring to the building at the end. Six responses were received, of which one was locally based. ***This market engagement established that the relevant market was specialist and limited, which in turn was used to justify an invited rather than open tender process.***

Camden's procurement strategy, approved in October 2025, estimated the total contract value at £247,500 (approximately £16,500 per annum over 15 years of energy sales, within a 20-year concession term). The Borough Solicitor confirmed the approach was compliant with the Council's Contract Standing Orders and the Procurement Act 2023. The proposed evaluation criteria weighted quality at 70% and price at 30%, with key quality criteria including the forecast electricity price reduction, the proposed approach to community share raising within the Borough, and social value including educational benefit to building occupiers. Camden's approach uses a licence rather than a lease, notes on which are provided on page 41 above.

# Route 3:
## Above-threshold competitive tender with detailed outcome requirements and contract performance conditions

**This route is informed by the procurement principles laid out earlier in this section, and the precedents set by Camden (below-threshold Invited Tender) and Barnsley (Concession Contract with contractual governance provisions).**

Where the total anticipated value of a community solar programme (calculated across all sites and the full contract term, including any likely extensions) exceeds or is likely to exceed the Procurement Act 2023 Concession Contract threshold, a full competitive tender process is required. This means publication of the appropriate tender notices, use of a publicly available, defined evaluation process, and compliance with the standstill and transparency obligations of the Act.

### Selection stage

At the Market Engagement or Pre-Qualification stage, the Council could require all bidders to demonstrate that their organisation (or any specific special purpose vehicle through which they would deliver the contract) has binding arrangements in place preventing the distribution of residual assets to members or shareholders for private benefit on dissolution, and requiring that any such assets transfer to another body operating for community benefit. This would need to be described as a constitutional outcome requirement rather than a legal form requirement, because it specifies *what the organisation's constitution must achieve* rather than *what type of organisation it must be.*

In practice, this requirement is met as a matter of course by a BenCom or CIC. A commercial solar developer that wished to bid would could either restructure into an asset-locked form, or could establish a new asset-locked special purpose vehicle in order to bid, should they wish to do so.

The Council may additionally require bidders to demonstrate that their constitutional area of benefit, and the area of benefit of any asset-locked body to which their assets would transfer on dissolution, is restricted to the Council's geographic area. This embeds locality of benefit at the selection stage and could therefore be viewed as proportionate because Councils inherently serve a very specific area and it is through the letting of the Council's own estate, located in that same area, that the community benefit income will be generated.

**Your Procurement and Legal Team colleagues should be consulted as early as possible about the type of features you wish to specify, and their proportionality and acceptability under the Procurement Act 2023.**

## Award stage

At the Award stage, the Council has wide discretion to weight criteria in ways that reflect its genuine priorities. Criteria that reflect valid public interest outcomes the Council is seeking to achieve through this procurement could perhaps include:

- The proportion of project finance to be raised through a community share offer open to residents and organisations within the Council's area, weighted as a quality criterion.
- The forecast percentage discount on electricity supplied to the host building against the prevailing retail rate, evaluated over the full contract term.
- Social value commitments, including the extent to which the bidder will deliver educational and engagement benefits to host building occupiers.
- The extent to which local supply chain and employment will be used in installation and maintenance.
- The extent to which full and part time employment and/or skilled volunteering opportunities will be supported through the delivery of the contract.

The Council's preference for an asset-locked constitutional structure could also be reflected in the award criteria, not as a pass/fail requirement at this stage, but as a quality criterion: bidders with a stronger or more deeply embedded asset lock (for example, one registered with a statutory regulator rather than simply contained in articles of association) could be scored more highly. **You should consult your procurement and legal team colleagues as early as possible about appropriate ways to use weighting and scoring in this regard.**

## Contract stage

Beyond selection and award, Councils can also include contract performance conditions such as requiring the successful bidder:

- to maintain an asset lock throughout the contract term;
- to reinvest any surplus generated by the project into activities benefiting the Council's defined geographic area
- to maximise as much as possible the membership/share ownership within that area.

### The Barnsley model and the Custodian Trustee role

For Councils that want the strongest possible ongoing assurance, the Barnsley model offers a further contractual layer. As described on page 31, above, Barnsley MBC negotiated the right to sit as Custodian Trustee within Energise Barnsley's governance structure, with FCA-approved rights to oversee governance, receive Board papers, require audits, and suspend directors in extremis. This mechanism can be built into the contract as a performance condition: the successful bidder would be required, as a condition of contract, to amend its constitutional documents to embed equivalent Custodian Trustee rights for the Council, and to obtain any necessary regulatory approvals for those amendments.

Taken together, these requirements describe a model that community energy organisations are well placed to meet. The legal defensibility of this approach rests entirely on the council being able to demonstrate that each criterion reflects a genuine public interest objective, proportionate to the nature and scale of the contract, that does not unreasonably exclude other bidders. This justification will need to be documented carefully, particularly in any above-threshold contract, which is, by definition, a contract of high value that is likely to attract wider market interest.

# Splitting lots to stay below Procurement Act 2023 thresholds

**It is in contravention of the Act to artificially split lots in order to award a series of contracts that would, in combination, be above-threshold, to the same operator. This includes both geographic lot-splitting, but also to splitting by phasing (i.e. running a series of small procurements over time that together constitute a single strategic programme).**

For geographically large rural or semi-rural unitaries (on a scale of say, Wiltshire or Cornwall), sub-dividing the Council area into smaller 'natural community' geographies might allow such procurement activity to align with an existing network of local Community Energy Groups who already cover different localities. As independent organisations, they may each then end up operating a 'below-threshold' portfolio of sites in different parts of the Borough, which could allow for the Council to lawfully procure sub-district approaches by Direct Award, as per Route 1, above.

Whether a Council needs to or is able to do this will be very locally specific, and will depend on the size of the estate, the number of sites on which the Council or a commercial operator has already installed solar, and the suitability of remaining sites for community projects to be supported through your new Community Solar on Council Assets Strategy. If it really is the case that the total value of all contracts from such sites would not exceed the threshold, then following Route 1 above (where there is clearly only one appropriate provider) or Route 2 above (where there may be more than one appropriate provider) will most likely suffice.

Alternatively, it may be more appropriate to your local circumstances to let the portfolio of sites to a single community energy organisation with a reach right across the unitary area. If the long-term value of all contracts is likely to result in an above threshold concession contract, then you should proceed using a full-tender process with PQQ (Pre-Qualification Questionnaire) and detailed contract provisions, such as Route 3, above.

***As with all procurement processes, contract-specific legal advice should be sought on the precise drafting of all procurement documentation before it is issued. You are strongly advised to involve your Procurement and Legal colleagues as early as possible in all discussions about taking forward the Community Solar on Council Assets Strategy, so that the business case used for the Strategy can directly inform the appropriate procurement routes for the programme of works that will emerge.***

# 4.3 Project-level barriers

## Barriers relating to individual building characteristics

***"We can't do community solar because we have capital works planned for some of our buildings, and that means the panels would have to come off at some point during the lease."***

This is a site prioritisation consideration that is highly unlikely to affect the Council's entire estate. Any building with capital works planned in the near term would sit lower on the priority list until those works are complete. In many cases, a freshly refurbished or re-roofed building is an ideal candidate for solar installation, since the roof is in good condition, the structural survey required as part of the feasibility process is straightforward, and there is no immediate prospect of further disruption.

***"We don't know enough about the condition of our buildings and roofs to talk to community energy groups about this."***

A Council that really does not know the structural condition of any of its roofs has a pre-existing asset management question to address, regardless of any plans for solar PV.

However, where a community group has already identified a particular building of interest, it is sometimes the case that their own financial model will fund the cost of the surveys (at least at a level that would establish whether the roof can bear the load of the proposed installation and to inform the mounting design). It may therefore be that in some circumstances, the Council would not need to fund this work in any case.

### *"Some of our buildings are in a conservation area or are listed."*

Listed building status and conservation area designation do affect some installations in certain locations, particularly if visible from the principal viewpoint of a heritage building. But Listed or Conservation Area status is not an absolute barrier to installing solar: indeed, some of the country's most iconic heritage buildings (such as Gloucester, Salisbury and Chester Cathedrals) have solar PV arrays installed.

It is also relevant that the planning policy context has shifted in recent years. The 2023 update of the National Planning Policy Framework provided, for the first time, a meaningful rebalancing of where weight should be applied when determining energy efficiency and renewable energy projects on heritage buildings. This paragraph (renumbered to Para 167 in the 2024 NPPF) now requires planning authorities to give significant weight to the need to support renewable and low carbon energy, and this consideration must be balanced against heritage protection rather than automatically subordinated to it.

### *"Some of our roofs are still under warranties that prohibit fixing structures to them."*

This is a common constraint for some roof types, especially flat roofs and those with sealed membranes that must not be punctured. In some cases, this issue may indeed permanently exclude a particular site from consideration. However, in other cases there may be potential to use ballasted mounting systems (where panels and frames are held in place by weight rather than by penetrating fixings) which are specifically designed for such situations.

Whether a ballasted system is appropriate for a specific roof depends on the structural capacity to bear the additional load, the terms of the specific warranty, and the building's exposure to wind loading. These are all questions that would be explored as part of the site feasibility assessment for any roof where this issue arises, and although such roofs might end up lower down the priority list as a result, it does not negate taking this strategic approach overall. Chester Cathedral (already mentioned above as an example of a Grade 1 Listed building with a solar array), is an excellent example for this barrier too: a custom mounting system was used to avoid the need for any penetrating fixings to the historic copper sheeting of the Cathedral roof.

### *"Planning permission will probably be hard to get."*

The asset assessment's preliminary planning appraisal will identify any genuine constraints for specific buildings. However, much building-mounted solar PV is now permitted development under the Town and Country Planning (General Permitted Development) Order and permitted development thresholds were meaningfully extended in 2023. Permitted Development is subject to some conditions relating to protrusion above the roofline and proximity to listed structures, but many standard array designs would now fall within the PD regime. Your Planning colleagues can advise on the likely situations where permitted development rules will not apply and where heritage considerations are likely to constitute an absolute restriction on solar development.

### *"There are known Grid capacity issues near this building, so the system wouldn't be able to connect."*

Grid export capacity is a genuine technical constraint in some areas, but its significance depends heavily on the consumption profile of the host building. For buildings with high and consistent daytime electricity demand, a substantial proportion of the solar generation will be consumed on-site rather than exported, which reduces dependence on export capacity.

Where export capacity is genuinely limited, smart export limitation technologies exist to curtail available capacity without preventing installation outright. In other cases, battery storage may be appropriate. The business model would be the Community Energy Group's responsibility, and their financial modelling will show whether they can create a return for the local investors and cover the Society's other costs when accounting for the costs of such additional measures over the lifetime of the roof lease. Whether curtailment or storage makes a scheme financially unviable is part of any asset assessment and it would largely be the role of the community energy partner to model this as part of their business planning to determine whether the concession contract is deliverable.

### *"This building has a long-term supply contract with a minimum offtake clause. If we generate our own electricity and buy less from the Grid, we'll face a financial penalty."*

Commercial energy supply contracts can legally contain minimum offtake clauses, where the contract for supply will have been established on the assumption that a minimum kWh per annum will be required, with the unit price set accordingly. This may therefore affect the prioritisation of some buildings, but it is not a technical barrier to installing solar PV in the long run on an otherwise suitable building. A building currently in the early years of a contract with minimum offtake provisions and no imminent break clauses may have to be deprioritised for installation as part of a community solar scheme, but it may well be a strong candidate when that contract comes up for renewal, at which point it can be renegotiated on terms that explicitly accommodate on-site generation.

### *"The Department for Education is currently preventing schools from putting solar on their buildings, unless it's part of their pilot."*

As of mid-July 2026, the DfE has indeed announced a temporary pause on approving schools solar PPAs and leases that has introduced an element of uncertainty that may slow project development for projects that were at an advanced stage of discussion already (i.e. ready to submit an application). However, the temporary pause is simply because the DfE has announced a pilot programme across 150 schools and colleges to unlock private finance for solar installations at scale. This will involve them testing their proposed schools-specific PPA and lease documents, the aim of which is to streamline this process in the future. The pilot will operate in the South East, the East Midlands, and Yorkshire and the Humber.

The DfE's July 2026 guidance stipulates that applications for schools solar that are submitted after 15 July 2026 must use the new PPA and land lease templates, but also notes that these templates will not be published until autumn 2026 following a testing period. The guidance distinguishes between schools selected for a 150-school pilot (in Yorkshire & Humber, East Midlands, and South East) and other schools, but does not clearly specify whether non-pilot schools can proceed during the testing period or must also wait for template publication. This ambiguity therefore creates a de facto pause for projects on many schools. Consult the DfE guidance page at the time of your asset assessment for the latest developments: https://www.gov.uk/government/publications/power-purchase-agreement-pilot/funding-for-installing-solar-photovoltaic-panels-on-schools-and-colleges

# Barriers relating to buildings that the Council owns but does not occupy directly

### *"The tenant of our building won't consent"*

Tenants or concessionaires may have concerns about disruption during installation, structural risk, metering complexity, or simply unfamiliarity with the model. These are legitimate considerations that require engagement but if, after proper engagement, a tenant declines to allow the array to be installed and the lease arrangements give the tenant the final say, then there is little the Council can do, other than note that the site is technically feasible but ruled out because of the current tenant. Such a site moves down the priority list and may be reconsidered when the tenancy changes. But if this barrier is raised *hypothetically* it should always be challenged. A tenant who has never even been properly approached is not the same thing as a tenant who has considered the offer and chosen to decline.

### *"The Council owns the building, but the tenants occupying it would be the ones to benefit from the bill savings. Why should the Council bother?"*

For buildings where the Council funds the occupier's running costs (maintained schools being the most obvious example) the saving flows back to the Council indirectly and clearly allows for school budgets to be spent more efficiently. For commercially tenanted buildings where the Council has no direct interest in the occupier's energy costs, there are still direct financial benefits to the Council. These include asset transfer to the Council at end of tenancy term, and the longer-term marketability of an energy-efficient building.

Where the properties hosting the solar PV arrays are domestic properties (Council housing), and a tenant wishes to exercise their right-to-buy, the Energise Barnsley/Barnsley District Council case study illustrates how the contractual arrangements simply allow tenants in this position to either enter a direct leasing arrangement with Energise Barnsley, to purchase the panels outright, or to have the panels removed. Right to Buy has not proven to be a substantive issue for this project to deal with.

*"This school is likely to become an academy: the council will have spent time and effort sorting out the community solar relationship, and then the academy trust will get all the benefit"*

*"Even if we give consent for solar on an existing academy's roof, the academy trust pockets the savings, so what benefit does the Council get out of it?"*

These are two facets of the 'why should we help an academy' argument that is regularly put forward as a barrier to community-owned solar on school roofs.

In the first instance, where a maintained school subsequently converts to academy status after the Council has helped a community group install solar on the roof, the Council will usually grant the Academy Trust a 125-year lease of the site at a peppercorn rent, following standard DfE lease terms that are largely non-negotiable for Councils. The Academy Trust therefore does not pay the Council commercial rates of rent for the site, so the benefit of the on-site generation is not 'costed-in' to the rental price as it might be on a commercial lease.

However, the Council is entitled to recover its reasonable costs from the converting school for the legal and administrative work required to facilitate the conversion. This is established practice and councils across England do charge for academy conversion costs, with charges ranging nationally from £2,500 to over £20,000 depending on complexity. A good example can be found in Surrey County Council's 2024 decision paper[9], confirming that the legal costs alone for a lease and commercial transfer agreement average £2,500-£3,000 for a straightforward academy conversion, rising to considerably more where there are complicating factors.

A community solar lease on the site is an example of just such a complicating factor. The Council will need additional legal work to ensure that the solar lease (granted to the Community Energy Group, usually running for 20 years) is properly reflected in and protected by the new academy lease which will usually run for 125 years. This is a quantifiable cost that the Council is entitled to recover from the converting school as part of its conversion charges.

For an academy that is already operating under a 125-year lease, the position is slightly different. Academy Trusts cannot enter into agreements that affect the structure of the buildings and therefore to grant a solar lease to a Community Energy Group, they would need the Council's written consent (which must not be unreasonably withheld). A Council with an adopted Community Solar Strategy has a clear and defensible basis for granting that consent, which should smooth this process, as nothing will seem surprising or unusual about the request. As previously noted, the Council is entitled to recover its reasonable costs for doing so if specific, complex legal work needs to be done.

## 4.4. Are you asking the right question?

**In both of the 'academy tenant' cases above, and indeed for ALL tenanted buildings, the bill savings from the solar installation will accrue to the occupier. The reason that this should not be used as a barrier to progress such projects is that the real benefit to the Council from supporting community solar on its owned sites is not primarily the bill savings that result.**

Large municipal buildings (particularly secondary school roofs) are among the largest available roof surfaces in a local authority area. Making them available as part of a community solar programme is a significant contribution to the asset base on which a community energy organisation can reach the scale at which it delivers tangible, long-term benefits to the wider area.

Established Community Energy Co-operatives, such as those in the Case Studies section, began by installing solar on a small number of buildings and have grown into significant local employers and providers of skilled volunteering opportunities. They are suppliers of free or low-cost energy advice services to households ranging from the fuel-poor, to those who are wealthy enough to self-fund retrofit of their complex listed homes. Organisations like this provide a source of investment returns that stay in the local economy rather than flowing to national energy suppliers, and an associated community benefit fund that supports local causes as a direct result of the stable financial base created by their portfolio of solar arrays. Many of the most successful groups own arrays on a mixture of council, commercial, industrial and private land, but got their first foothold to professionalise and build their reputation by working with their local Council. That the most successful Community Energy Groups will eventually 'outgrow' the Council's estate and increasingly seek other sites to expand their portfolio is a cause for celebration: it demonstrates how early-stage support from the Council can provide credibility, thus stimulating economic and local resilience benefits at a larger scale.

> ...early-stage support from the Council can provide credibility, thus stimulating economic and local resilience benefits at a larger scale.

# 5. Community Energy and Local Authority Partnership Assessment Framework

## Assessing the readiness of a community energy organisation and Local Authority to enter into a strategic partnership to deliver community solar projects on Council assets

**This framework is provided to help both local authorities and Community Energy Groups assess their respective readiness to work together to deliver community-owned solar projects on Council assets. The headings and sub-headings may be useful to inform early stage discussions, or elements of the procurement process, such as Pre-Qualification Questionnaires. Depending on your local circumstances, not all questions will be relevant.**

The 'Partnership Assessment' is framed as a bilateral checklist which recognises that confidence in the partnership must run both ways. It aligns with the strategic emphasis of the rest of this Guide, which focuses on supporting the development of the community energy sector in your local Council area so that it can ultimately deliver benefits to the wider community through reinvestment of surpluses.

## Partnership assessment criteria

### Establishing trust and confidence

| The Partnership Assessment asks the Community Energy Group to demonstrate that it: | The Local Authority is asked to demonstrate that it: |
|---|---|
| • is properly incorporated as an asset-locked organisation<br>• has sound governance and financial management arrangements<br>• has the skills and capacity to deliver solar PV projects on Council buildings, and their associated benefit structures<br>• has a credible plan for organisational continuity over the lease term | • has a clear political mandate to support community PV activities on its estate<br>• has named officer responsibility and continuity arrangements<br>• has considered how its support for community solar on its estate will be protected through political change or Local Government Reorganisation<br>• will provide timely access, information, and responses as required to develop the proposed solar PV project(s) |

The partnership assessment criteria are provided in table form in a separate Microsoft Word document, for use as an editable checklist.

DOWNLOAD HERE

## NOTE*

where the group has limited organisational capacity or delivery track record, intermediary organisations exist in the community energy sector, specialising in supporting fledgling Community Energy Groups to build this capacity through delivery of their earliest projects, share offers etc. Where the assessments above indicate a lack of capacity or experience within the group, the Council should ensure that a contractual arrangement exists with an appropriate intermediary, the costs of which are carried within the project delivery. (See the North Lincolnshire Case Study for an example of this delivery approach.).

# 6. Case Studies of existing Community Energy and Local Authority Partnerships

The following pages contain details of how some of the country's most successful council-community energy partnerships emerged, and what they have achieved. The passage of time means some of the exact mechanisms used may not be appropriate to your circumstances today. Replication suggestions for Councils starting now are given. **You should seek advice from your legal and procurement teams on your locally specific situation.**


# Bath and North East Somerset Council with Bath & West Community Energy

**ESTABLISHED CASE STUDY: Local authorities catalysing change through strategic support for community energy**

## ORIGINS

BWCE was set up in 2010 by a group of local people with a range of professional backgrounds. Emerging from Bath's Transition Towns energy group, BWCE was a volunteer-run cooperative with no assets, no paid staff, and no track record, but lots of ambition.

BWCE approached the Council and asked for access to suitable rooftops on Council-owned buildings so they could demonstrate the model, raise their first share capital, and begin to operate independently.

## HOW THE COUNCIL'S SUPPORT CATALYSED CHANGE

Bath & North East Somerset (B&NES) Council agreed to a light-touch 'Co-operation Agreement' in October 2011, a non-exclusive arrangement that carried no financial obligations but committed limited Officer time, and facilitated access to six B&NES school rooftops and the Council's own offices as their first generation sites.

A Performance Reward Grant in 2012 covered important site development costs for these early arrays, enabling BWCE to secure further funds. As BWCE grew and its projects showed financial stability, the Council agreed a £500,000 policy loan from the Council's Green Investment and Jobs Fund to facilitate development of Wilmington Farm Solar Array, a pioneering move that overcame the then-market barrier to bank lending for community energy projects at that scale.

The Co-operation Agreement has been renewed several times, most recently in 2023.

## From 2011 to 2026:
## Where Bath & West Community Energy are now.

- £23.7 million investment raised, funding 39 rooftop solar PV systems (schools and other buildings), 6 ground mounted solar arrays and 1 hydro scheme
- 14.49 MW of generating capacity installed
- Annual generating capacity equivalent to powering 5,200 homes
- £615,000 of revenue per year retained in the West of England area
- Over £470,000 donated to the BWCE Community Fund since 2015
- 64 local community organisations supported to run over 100 local projects
- BWCE now mentors other Community Energy Groups, including helping Low Carbon Gordano raise £2.2m and supporting Keynsham Community Energy to become established
- BWCE domestic energy advisors are working alongside B&NES Council's Heritage team to provide retrofit advice for complex historic buildings in the Council's area

## *Could this be directly replicated now?*

The early arrangements predated post-Brexit subsidy regulatory changes, and the introduction of new procurement regulations in 2015 and 2023.

A Council starting now may need to consider the aggregate long-term value of any portfolio of sites, make Procurement Act 2023-aligned justifications of any similar direct award, or potentially run a fuller market engagement and Open Tender process (depending on contract values).

**Seek legal and procurement advice about the mechanisms that exist now which would lead to the same local benefits.**

# Repowering London (Brixton Energy) with London Borough of Lambeth

**ESTABLISHED CASE STUDY: Local authorities catalysing change through strategic support for community energy**

## ORIGINS

In 2011, a group of residents from the Transition Town Brixton network came together, with the ambition of creating community-owned renewable energy. They identified a high-rise social housing block owned by Lambeth Council and managed by the Loughborough Estate Management Board as a potential site.

The group's timing was fortuitous, as it coincided with Lambeth Council's own recent declaration as an aspiring 'Cooperative Council', and this alignment played a critical role in helping the group have early conversations with the Council.

## HOW THE COUNCIL'S SUPPORT CATALYSED CHANGE

The Loughborough Estate roofs were owned by the Council and approval for the installation of the PV array was secured largely by resident consultation rather than formal procurement. The group held multiple community events with estate residents in June and July 2012 with the Council's blessing and light-touch involvement, secured planning approval from Lambeth Council, and contracted a local solar installer. With this approval and guaranteed FiT income, installation capital was raised through a community share offer, raising £58,000 in less than a month.

The success of the first project led directly to Brixton Energy Solar 2 and Solar 3, additional PV arrays on local estates. In 2013, interest in this success story from across London authorities led to the formal establishment of Repowering London as a separate community benefit society, built to help others replicate the Brixton model across other London Boroughs. Thanks to the early facilitation of Lambeth Council in the Brixton Projects, the multiplier affect across London has been substantial.

## From 2011 to 2026: where Repowering London is now.

- 12,000 kWp of community-owned solar capacity installed across London
- £880,000 capital finance raised, and £225,000 ringfenced for local communities to spend
- Seven, Borough-level community energy co-operatives established across London
- 155 people paid to learn new skills
- Projects and new BenComs supported in Aldgate, Barnet, Hammersmith and Fulham, Lambeth, North Kensington and Newham
- 2025 Ashden Award for Outstanding Achievement

## *Could this be directly replicated now?*

The original Brixton arrangements pre-dated current procurement frameworks and could not be replicated in the same informal way today.

However, the Repowering London model has evolved over time with regulatory frameworks. Now working with multiple Boroughs, the most recent contract award is with the London Borough of Newham (procurement of a below-threshold Concession Contract for solar on primary schools and a leisure centre, 2024) and a Community Energy Partner commissioning process by London Borough of Camden (live as at June 2026).

**Consult your Procurement colleagues and online tender documentation to ascertain how these approaches could deliver your ambitions.**

# Plymouth City Council and Plymouth Energy Community

**ESTABLISHED CASE STUDY: Local authorities catalysing change through strategic support for community energy**

## ORIGINS

Plymouth Energy Community is a unique community energy organisation, in that it did not emerge from a grassroots group seeking Council support. Instead, Plymouth City Council created it in 2013, via a manifesto pledge, in response to rising fuel poverty and carbon emissions in one of England's most deprived cities.

The Council helped recruit 100 founding Members to invest in this new Community Benefit Society, and developed the initial business plan.

## HOW THE COUNCIL'S SUPPORT CATALYSED CHANGE

The Council provided a £60,000 start-up loan for initial working capital, and further start-up support through a service level agreement under which Council employees from the Council's Low Carbon City Team were seconded to PEC. This arrangement meant PEC had professional staff capacity from day one without bearing the employment costs directly. This team identified suitable school and community building rooftops across the city and facilitated PEC's access to them as its first-generation sites.

In February 2014, PEC launched its first solar share offer. The Council demonstrated further commitment by providing a £500,000 loan from its Investment Fund, and this capital allowed PEC to finalise its financial and legal models and undertake site feasibility surveys before the share offer closed. By October 2014, 21 schools and community buildings had solar installed.

In 2015, the Council provided a further £500,000 loan to support a second portfolio, which raised £850,000 in community shares, and in 2016, PEC and the Council jointly developed the Ernesettle Solar Farm on 18 acres of derelict MOD land, a 4.1 MW ground-mounted array funded by almost £1 million in community shares, powering the equivalent of 1,000 homes, with surplus income funding community programmes.

## From 2013 to 2026: where Plymouth Energy Community is now.

- 30 rooftop sites and one 4MW solar farm, all community-owned solar installations across Plymouth
- As a result of PEC's activities, almost one-fifth of the solar generation capacity of Plymouth is community-owned
- £2.4 million raised in community shares by 2017; ongoing
- 37,000 households helped with energy advice and support
- £1.5 million annual turnover with 24 employed staff

## *Could this be directly replicated now?*

PEC's 'in-house' origin makes it a rare structure in the community energy world. It remains the case that any Council can establish a BenCom under the General Power of Competence (Localism Act 2011 s.1). Seconding staff is also a well-established mechanism, provided that properly documented secondment agreements are in place. Councils can also make loans, and at market rates these don't constitute a subsidy. If below market rates, a documented, evidenced assessment against the Subsidy Control Principles (e.g. demonstrable market failure) and registration on the Government transparency database would be required.


**Take legal advice for your local circumstances, particularly around the interplay of grant support and Concession Contracts.**

# Barnsley Metropolitan Borough Council with Energise Barnsley

**ESTABLISHED CASE STUDY: Local authorities catalysing change through strategic support for community energy**

## ORIGINS

Energise Barnsley's origin is slightly different from the others in this collection. It emerged from a structured partnership initiated by a community-minded energy developer, Gen Community Ventures, who recognised that in more deprived areas, grassroots voluntary activity in such a technical area as renewable energy might be less likely to emerge. Stimulated by the obvious Feed-in Tariff opportunity, Gen Community Ventures approached Barnsley Metropolitan Borough Council (BMBC) in 2013 as the owner of a large housing stock, bringing in specialist partners including Ignite (a social impact investment fund) and British Gas Solar as installer.

The Council committed to provide initial access to its housing stock (low-rise, individual houses and bungalows managed by its ALMO, Berneslai Homes). A community benefit society (Energise Barnsley) was formally incorporated in July 2015 to act as the vehicle for raising finance for the installations, and reinvesting the profits locally.

## HOW THE COUNCIL'S SUPPORT CATALYSED CHANGE

The Council granted Energise Barnsley a 25-year Concession Agreement giving it the right to install and operate solar PV on 321 Council-owned homes. The work with the Council and its housing provider deliberately focused on the most vulnerable households: over 75% of the homes were bungalows occupied by elderly tenants, and 25% of residents were on pre-payment meters. In the first year alone, tenants saved over £40,000 in reduced electricity bills.

Aggregating small-scale PV arrays on individual houses presents additional challenges to financial returns that larger case studies in this suite have not faced. In 2021, the Council approved a pioneering finance structure to assign the remaining 16 years of Feed-in Tariff revenue from its own 2013 solar installations to Energise Barnsley, to provide 1,000 further homes receiving free solar panels financed by a new £3.3 million community solar bond. This recycling of an unrestricted income stream to unlock community investment and rapidly accelerate the installation of these systems was justified on best value and social value grounds; Energise Barnsley could matchfund this with community shares, install over a couple of years what it would take the Council a decade to fund itself, and the Council could be confident that investor returns and surplus profit would stay local.

## From 2013 to 2026: where Energise Barnsley is now.

- Over 1,000 Council-owned homes with free solar panels installed, a UK community energy record
- 16 non-domestic properties including schools and community buildings with PV installed
- By spring 2021: 5,513 MWh produced from original 321 homes alone
- £278,844 saved in tenant electricity bills from original installations
- An estimated £400,000 of surplus income reinvested into communities over the project lifetime
- Community fund has supported healthy cooking courses, a community farm manager salary, Age UK, replacement playground equipment, and neighbourhood revitalisation
- £3.3 million raised in Solar Bond III; £1.7 million in Solar Bond II

### *Could this be directly replicated now?*

The 2016 agreement predates current procurement regulations. BMBC commissioned legal counsel to review the agreement and provide procurement advice for the 2021 '1000 homes' contract extension, strengthening the Council's control over the arrangements.

**The arrangement is a Concession Contract, but the Council's allocation of its own FiT income is a unique feature. Seek procurement advice if considering similar allocations, to understand whether it affects how your contract would be classified (concession or service).**

# North Lincolnshire Council with North Lincolnshire Community Energy

**EMERGING CASE STUDY: Local authorities catalysing change through strategic support for community energy**

## ORIGINS

North Lincolnshire Community Energy, like the Plymouth Case Study, is a great example of direct Council-creation of a Community Energy Organisation. North Lincolnshire Council, a Unitary with a significant post-industrial area that includes Scunthorpe, one of England's most deprived towns, received funding from the Government's Towns Fund in 2022.

The Council chose to allocate £1.4 million of its one-off Towns Fund grant to establishing a community benefit society that would install solar PV on Scunthorpe's schools and community buildings.

## HOW THE COUNCIL'S SUPPORT CATALYSED CHANGE

The Council demonstrated a market failure in the delivery of solar on smaller or more complex school sites, demonstrating in their Towns Fund application that commercial operators had 'cherry picked' the most profitable schools.

With no existing Community Energy Group to call on, the Council commissioned Energy4All (an experienced community co-operative developer) to structure and set up a new community benefit society to be called North Lincolnshire Community Energy, to manage the governance until its own Board could take over, and to run the community share offer. NLCE was launched in 2022-23.

The Council identified and secured school rooftops as the initial host sites, and facilitated access to them for NLCE. A £1.4 million grant from the Towns Fund was made towards intermediary support and the capital cost of the installations, allowing the fledgling NLCE to raise a roughly equivalent sum through a share offer and still offer an acceptable rate of returns for local investors. The success of the early projects gave NLCE a solid financial base. The Council then invested £100,000 of its own money in purchasing community shares in a second share offer, taking a direct financial stake in the organisation's success, on the basis of demonstrable returns.

Within two years of launch, NLCE had installed solar on 18 Council sites and is already profitable, because of this combination of grant capital, site facilitation, intermediary commissioning and direct investment.

## From 2023 to 2026:
## where North Lincolnshire Community Energy is now.

- 18 Council sites with community-owned solar installations
- 1.8 MWp installed, 1,600 MWh generated per year
- £350,000 aggregate energy savings across host sites in the last two years
- £615,000 of revenue per year retained in the West of England area
- Approximately 1,000 children have participated in educational sessions
- NLCE profitable in 2025/26 post-interest, with approximately £25,000 now flowing into a community fund and growing

## *Could this be directly replicated now?*

Setting up a BenCom uses the General Power of Competence (as per Plymouth). Commissioning an intermediary like Energy4All to assist with this is standard services procurement (as per the Repowering London examples). Investing in community shares is a straightforward Council investment decision, subject to normal treasury management and subsidy control considerations (as per Plymouth, B&NES and Barnsley). Making Council building rooftops available to the BenCom long-term could be structured either as a below-threshold, direct award Concession Contract with documented justification (as Newham did) unless full portfolio value requires an Open Tender (above threshold).

**Take legal advice for your local circumstances, particularly around the interplay of grant support and Concession Contracts.**

# 7. How Your Council Works: A Guide for Community Energy Groups

If you are a local authority Officer or Councillor, you may find that the Community Energy Group representatives you are working with do not understand how local government works, which is a source of frustration to all sides in a partnership. We have therefore provided the following guide for you to give to them. It is provided here as part of the main Guide for your benefit, and you can also access this document as a standalone PDF via the Net Zero Go website to email to your contacts where appropriate.

## In this Section

## 7.1 What Is This Guide For?

**This guide assumes you are a member of a Community Energy Organisation, who has either already started engaging with your local authority in the search for a building or piece of land that you can lease for a solar PV array, or you are shortly about to do so.**

For many Community Energy Groups, the first port of call is usually somewhere in the environment team – perhaps an Officer with role titles relating to sustainability, climate, or a role that covers community engagement or empowerment. In other cases, you may have been speaking with a particular Elected Member (Councillor). These Officers or Councillors may be extremely enthusiastic about what you are trying to do. They may have come to your meetings, shared information with you, and may have helped you access some seed-funding.

However, Community Energy Groups regularly find that despite having built a strong relationship with a given Officer or Councillor, they still struggle to progress the idea of securing a lease on a site to install a PV array.

This is because the relationships built are often with Officers or Councillors who do not have the sole authority to make the things you need actually happen. It is one of the most common ways in which community energy projects get stuck. The early relationships you have built are usually necessary, but are not always sufficient. There are Politics with a large 'P' and politics with a small 'p' that you will also have to negotiate, and one of the biggest errors you can make is to think of 'The Council' as a homogeneous entity. It is a complex organism with a permanent Officer cadre (like the civil service) and a political life that ebbs and flows around your local election cycles, and from which the ultimate decision-making powers and corporate priorities of the Council flow.

### This Guide does three things:

1

It explains the different types of Councils and what assets they own, because getting this wrong at the start can waste a great deal of time.

2

It explains what Local Government Reorganisation (LGR) means for community energy, because at the time of publication (June 2026) a significant number of Councils in England are in the process of being restructured, and you need to know how that affects you.

3

It maps out the Officer and Member roles that actually have the power to make your project happen, and helps you think about how to get in front of them.

## 7.2 What Kind of Council Are You Dealing With?

England has a complicated local government structure, and if you have not worked inside it, it is easy to assume that 'The Council' is a single entity.  It is not.  Depending on where you live, you may have one Council responsible for everything, or two Councils with responsibilities divided between them. There is also a third tier of local government (Town and Parish Councils).  If you are based in a large market town then there is a chance that the Town Council itself (effectively your Parish Council) is also a sizeable entity with staff and possibly a fair number of buildings of its own.  Understanding the tiers of government and how they are being reorganised matters enormously for a CEG, because it determines who actually owns the buildings you want to put solar panels on. To complicate matters further, certain elected Members may sit on more than one of these authorities, and depending on political control or the roles they have, operate with different levels of influence around community energy.

# Single-tier (unitary) Councils

**In a unitary council area, one Council is responsible for all local government services and owns the full range of public buildings and land.**

This includes offices, leisure centres, car parks, commercial property, and (often a target for Community Energy Groups), maintained schools. Unitary authorities have different naming conventions, which include:

- **Metropolitan Borough Councils**
  (the large urban areas created in 1974, such as Leeds, Barnsley, Blackpool etc).
- **London Boroughs**
  (all London boroughs plus the City of London are unitary authorities, and are unique in having an over-arching body as well; the Greater London Authority).
- **Unitary authorities outside London and the metropolitan areas**
  (Councils such as Cornwall Council, Wiltshire Council, or Bristol City Council, which were created when two-tier structures were merged in their area on a piecemeal basis from the mid-1990's onwards).

## A note on Town and Parish Councils

Note that although this type of area is often referred to as 'single-tier', this refers to your principal authority. In reality, there will almost always be a Town Council as well if you are in a small to medium town, or a Parish Council if you are in a rural area. Urban areas are almost always 'unparished', so if you live in a Unitary Council area that is very urban, then that unitary probably really is the only Council covering your community. In most cases Parish Council estates will be very limited, they often own no more than one building. However, do check: some large Town Councils can own all sorts of assets, such as museums, market buildings and Town Halls. As a much smaller Council that is completely rooted in a tightly drawn area (your specific town), they could be a very useful partner. From this point on though, this Guide will not refer to Town or Parish Councils. You can find out more information about them and what they do via via the National Association of Local Councils (NALC).

# Two-tier Councils

In a two-tier area, local government responsibilities are split between a larger County Council and a number of smaller District Councils within it. The split of responsibilities matters for Community Energy Groups as follows:

- ## District Councils

  District Councils are responsible for local planning, housing, waste collection, environmental health, and leisure. They own buildings such as offices, leisure centres, car parks, and sometimes significant commercial property. The scale of what a District Council owns varies considerably: a small rural district might own relatively little beyond its own offices, while others own shopping centres, industrial estates, or large leisure complexes.

- ## County Councils

  County Councils are responsible for education, social care, libraries, highways, and waste disposal. They own maintained schools, libraries, county farms and rural land, and often have very large estates indeed.

## A note on Schools

Schools are often a target for community energy groups because of their clear links to a given local community, which helps with share offers and general awareness raising. Schools also offer excellent opportunities for education, and 'social norming' the idea of renewables within a local area. However, a common source of confusion is, "who actually owns the school?". There is a confusing array of school types (outlined in the appendix at the end of this document). In a Unitary or County Council area, only certain schools will be owned by that Council. If you have been hoping to build a relationship with your District Council in the hope of getting onto school rooftops, this is not the right Council: District Councils are not education authorities and however enthusiastic, cannot offer you access to the school estate. And even in a Unitary or County Council area, the Council itself will not own all of the schools either – there will be academies and faith schools who have sites that are entirely owned by trusts or corporate entities. Your Unitary/ County Council absolutely can provide you with the up-to-date information on who owns what. More information is provided in the Appendix to this document.

# 7.3 Is Your Council Still Going to Exist in a Few Years?

**A number of Councils in England are currently in the middle of a Government-driven restructuring process driven by the 2024 Devolution White Paper1. This process will, in most affected areas, result in District and County Councils being abolished and replaced with new single-tier unitary authorities. The official name for this process is Local Government Reorganisation, or LGR. In Wales, Scotland and Northern Ireland, as well as many parts of England, this process has already concluded and they operate under a single-tier system, though this Guide is predominantly designed for the English context.**

## What is LGR and why is it happening?

The Government's rationale for LGR is that the two-tier system (district and county Councils covering the same area) creates duplication, slows down decision-making, and makes it unclear to residents who is responsible for what. The Government's ambition is to replace all remaining two-tier areas in England with single-tier Unitary Councils.

Councils in two-tier areas (and some small or failing Unitaries) were invited in February 2025 to submit proposals for how reorganisation should work in their area. Most areas submitted interim proposals in March 2025 and final proposals by the autumn of 2025. The Government is now working through these proposals and making decisions. There are 21 areas of the country working through the process. New unitary authorities are expected to formally come into existence (known as 'Vesting Day') in most affected areas on 1st April 2027 or 2028.

Once new LGR boundaries are approved, elections to the new authority area(s) are held, and those new authorities then operate as the 'Shadow Authority' for one year, to ensure an orderly handover of land, assets and obligations, and to complete staff restructuring. Thus, for one year before Vesting Day, your area will still have its old District/County structure, and the Shadow Authority will operate alongside it. Once the new area boundaries are agreed, a 'Structural Changes Order,' will be issued, after which the Secretary of State may choose to issue a 'Section 24 Direction' such that any decisions over a certain value made by the 'old' Councils during that Shadow year may need his or her consent before they can go ahead. In practice, the Secretary of State usually passes the power to grant that consent to the Cabinet or Executive of the Shadow Authority.

## What does this mean in my area?

**The LGR process involves existing Councils preparing justified proposals for how they think the area should be reorganised. These were submitted to the Government in two tranches over the last year, and therefore some have already been approved (for example Surrey Council elections for two new Shadow Unitary Authorities for Surrey Councils, East and West, took place in May 2026 to replace all eleven existing Districts and the County Council, from 1st April 2027). Other areas are still in the consultation or planning process.**

In some areas, this is a highly contested process with different Councils proposing a range of options that are mutually exclusive. For example, Kent County Council and its twelve District Councils is currently one of the largest two-tier areas in the country. The County Council and District Councils between them have submitted multiple options, ranging from a single unitary covering the entirety of Kent, to a collection of 3, 4 or 5 unitaries covering different parts of the area. The Government intends to make decisions across all remaining areas during 2026, and may not, in the end, accept any of the proposals put forward by the Councils, instead choosing to impose a different structure in some areas.

For most areas, the timetable means shadow elections to the new Unitary Authorities in May 2027, with the new Councils formally taking over on 1 April 2028. You should check the GOV.UK collections page for your specific area at: https://www.gov.uk/government/collections/local-government-reorganisation-policy-and-programme-updates, which provides rolling updates on the latest proposals from each area, along with decisions and expected timelines.

Once the arrangements for your area have been approved, arrangements will be made for the elections to the new Shadow Authority, which in many cases will happen in May 2027.

## Should we wait until LGR is complete before approaching our Council?

**This is likely to be inadvisable, for two reasons.**

First, Officers in Councils subject to LGR know their organisations are changing. Some of them are actively looking for things they can get done and locked in before the restructuring happens, as those arrangements will automatically transfer to the new authority on Vesting Day as assets transfer to the new authority. Community energy projects that are clearly designed to benefit the Council and the wider area should not present any special concern and are unlikely to be viewed as obligations that the new authority would not wish to take on. Decisions about assets that are to be disposed of will be part of the normal process of preparing for Vesting Day. It may therefore be the case that the future of certain buildings and land is somewhat uncertain, but other sites will have a very clear rationale for remaining in the new authority's asset portfolio, and as long as you are sensible and cognisant of this when liaising with the Council during this period of change, you should still be able to have fruitful conversations.

Second, new Unitary Authorities will have a great deal to do in their first year of operation. They will have new leadership, new Officer structures, and extremely full agendas. A Community Energy Group arriving as an unknown quantity asking for a relationship from scratch during this time of great upheaval will be much lower priority than one that arrives with an existing agreement already in place.

You should be sensitive though, to the fact that local government Officers in general are stretched and often working at capacity. LGR has created significant extra burdens that may mean that even with goodwill on all sides, it is genuinely difficult for your Council to engage. It is not the case, however, that Councils undergoing LGR are not allowed to enter into new contractual arrangements. As described above, once the Structural Changes Order has been issued for your area, there may also be a Section 24 Direction issued that requires contracts over a certain value to secure consent during the Shadowing year. You can check the Government's rolling updates page (see link above) to find out if this is the case. Even if there is a Section 24 Direction, should understand this only as a reasonable consent process that is well designed to protect new authorities from being saddled with onerous obligations; it may therefore add some time to individual site negotiations, but it does not represent a blanket ban on entering into new contracts.

If you are told that LGR actively prevents your Council from entering into new contracts, either check the Goverment's collections page linked above for the details, or ask the Council's Monitoring Officer to confirm whether a Section 24 Direction has actually been issued for your Council, and if so, whether a General Consent Order is in place. A General Consent order is usually made on or near to the same day that a Section 24 Direction takes effect, and defines a range of council business transactions that can continue without case-by-case approval. This prevents council business grinding to a halt during LGR transition periods.
The Barrier-Busting Resources in the Guide to Community Solar on Council Assets provide more detail for Council Officers on this point.

If your Council is already a Unitary Authority that is not subject to LGR, none of this section applies and you can focus entirely on navigating the internal structure of your existing Council, which the next two sections cover.

# 7.4 Which Council Officers will need to be involved?

**Every Council organises itself slightly differently, and job titles vary enormously. What follows is a description of the functions you need to reach, and the kinds of titles those functions operate under.**

When you are trying to find the right person in a specific Council, use the Council's published organisational structure (most Councils publish this on their website) to identify who holds these responsibilities. It is of course very likely that you already have a 'champion' in the Council, either an Officer or elected Member who is keen on what you are trying to do. Their support remains invaluable, but you will need to work with them to ensure that your proposals for the Council to adopt a strategic, corporately embedded approach to supporting Community Solar on Council Assets is really engaging with all the right stakeholders within the Council.

Many of these people have very senior roles with high levels of financial responsibility. It is only right that they tend to take a risk-averse approach. Your job is to present as a professional, capable group who can provide something that the Council needs in a reliable, predictable way. At the very least, you should be appropriately constituted with a bank account and all the structural necessities that allow you to enter into contracts. You cannot easily liaise with the Assets, Legal, Finance and Procurement teams of the Council as a group of un-constituted volunteers.

If you are still very much at the fledgling stage, you may benefit from mentoring support from an existing intermediary organisation that can provide this level of professionalism for you. The North Lincolnshire Case Study in this toolkit provides an example of how this can be done. Or you can use the Partnership Assessment Framework to see what your group needs to have in place in order to be a credible partner for a Council.

Go to www.netzerogo.org.uk to access this or ask your local Net Zero Hub for a copy.

# Likely departments your project will interact with

| What a Community Energy Group needs for a Solar PV project | Which department can approve this? | Likely job titles |
|---|---|---|
| Access to buildings and land | Estates/Asset Management | Head of Estates, Asset Manager, Corporate Property Manager, Head of Property Services |
| Procurement sign-off decisions about whether your proposal constitutes a Concession Contract, and whether it can be directly awarded or needs to be openly tendered. | Procurement/Commissioning | Head of Procurement, Commercial Manager, Commissioning Manager |
| Legal sign-off on leases and assessment of grounds on which the Council can work with you | Legal Services | Head of Legal Services, Monitoring Officer, Solicitor to the Council, Head of Governance and Legal |
| Power Purchase Agreements for the energy you generate and sell back to the building | Procurement/Legal Services | Head of Procurement, Commercial Manager, Commissioning Manager, Energy Purchasing Manager (in large authorities) Head of Legal Services, Monitoring Officer, Solicitor to the Council, Head of Governance and Legal |
| Financial sign-off and value-for-money assurance | Finance (Section 151 Officer) | Section 151 Officer, Director of Finance, Chief Finance Officer |
| Political approval to even think about this in the first place! | Cabinet - relevant portfolio holder (and ultimately Leader) | Cabinet Member for Climate/Environment/Assets/Regeneration (title varies by Council) |

# Estates and Asset Management

**This is the team or individual who manages the Council's property portfolio. They hold the records of what the Council owns, they manage leases and relationships with tenants, and are the people who have to agree to you accessing a roof or a piece of land.**

To further muddy the waters, the Council's property portfolio includes different forms of ownership, including 'General Fund Assets' (Town Hall, Car Parks and Leisure Centres), Housing Revenue Account assets (housing estates, surrounding land and some community buildings) and Schools Estate (maintained schools). The management of these assets and rules about what the Council can do with them can be fragmented, so it's important to factor this into your conversations to ensure you are at least considering the potential differences.

Without the Estates and Asset Management teams' involvement, or an understanding of the varied landscape they are navigating, you are unlikely to progress, and if your project is presented to them without any prior 'warm-up', they are likely to see it as unusual and risky. This team may already have progressed solar PV projects on parts of the Council's estate and may not immediately see the potential benefits of delivering this via the mechanism you are proposing; you will need to make the case for the wider social value and impact very strongly.

In a large Council this may be a substantial team with a Head of Estates or Director of Property. In a small District Council it may be a single Asset Manager who also covers facilities management and car parks. with an existing agreement already in place.

It will probably be difficult to engage directly with this team unless a senior Officer or Portfolio Holder has clearly asserted to them that the Council is interested in exploring community solar. This is best achieved by having some sort of strategic commitment adopted at the Council (for resources to help that happen, see the 'Decision-Making' part of the Guide to Community Solar on Council Assets). Their natural questions will be about liability, insurance, reasonable access, maintenance, and what happens at the end of the arrangement.

## Legal Services

**A lease or concession contract cannot be executed without legal sign-off. The Legal team will want to review any template documents you bring to them, and they will have questions about the legality of the chosen procurement route, the duration of the arrangement, and the liabilities involved.**

In some Councils the legal function is entirely in-house; in others it is shared with neighbouring Councils or bought in externally. You may also hear references to a person called the Monitoring Officer – this is the Council's statutorily required legal representative, and is often the most senior lawyer employed by the Council. All Councils have to have a Monitoring Officer by law.

The Legal team's default position is often to probe for reasons why something cannot be done or what risks it carries. This is a core aspect of their job; they have to protect the Council from legal challenge. It does not mean the project cannot proceed. It does mean that political will (from the Portfolio Holder or Cabinet) often has to be in place before the Legal team will invest the time needed to work through complex issues constructively.

Legal teams tend to respond to instructions from above, not requests from community groups, or even from internal colleagues in non-statutory roles like the climate team. Their natural questions will be in support of those from the Asset Management team (about risks relating to access and maintenance) but they will also want to look closely at things like 'step-in rights' (how can the Council or another entity take over management of the asset if your group fails), along with issues such as liability for damage to buildings, and risks relating to asset sales and transfers (what happens if the Council wants to sell the building that you are leasing the roof of). Many of these have been covered by other community energy groups and you can find some 'barrier-busting' resources to help you in other parts of the Guide to Community Solar on Council Assets.

## Procurement

**Any arrangement involving a Community Energy Group operating on Council land and selling energy back to the Council (or to building occupants) is almost certainly a Concession Contract under the Procurement Act 2023 (which itself draws on the Concession Contracts Regulations 2016).**

This means there is a procurement route to follow, and the Procurement team needs to be involved. This is not an obstacle, but be aware that some of the most successful community energy groups in the country got their projects underway before these regulations were in place. Therefore, simply pointing to what another Council did pre-2016 and hoping to emulate it is likely to lead to things going around in circles. The more detailed procurement suggestions provided in the Frequently Raised Barriers section in this toolkit sets out some options for how the Council could proceed at different scales of project under the current regulatory regime. Your Council will need to make their own legal judgement on those approaches.

Procurement Officers are often the people who raise a common objection along the lines of 'we cannot show preference to community groups over commercial operators.' This is a legitimate concern and can be properly addressed through appropriate outcome criteria in any procurement process. Properly structured, contracts can include social value criteria that a Community Energy Group can meet but that a purely commercial operator is unlikely to. Again, this requires Legal and Procurement working together, which is unlikely to happen without a political steer from above.

## The Section 151 Officer

Every Council is required by law to have a Section 151 Officer (named after Section 151 of the Local Government Act 1972). This is the Officer responsible for the Council's financial administration and for ensuring that the Council does not spend money it should not spend or commit to arrangements that are not financially sound. Their actual job title is usually Chief Finance Officer, Director of Finance, or similar.

This person, along with the Monitoring Officer, is often part of the most senior management in the Council. They will need to be in the loop from an early stage to ensure that they do not come into the project discussions late and raise their concerns after a lot of work has been done. Again, political steer to ask this senior Officer to be involved is likely to be vital.

# 7.5 Elected Member - where the political power lies

**Councils have two distinct sides: the Officer side (the paid staff, permanent or on contract) and the Member side (the elected Members, also called Councillors). Officers implement decisions, but elected Members make them. Understanding which Councillors have the power to make things happen (and which do not) will save you a great deal of time and effort.**

## How most Councils are governed

**The large majority of English Councils operate a 'Leader and Cabinet model'. Under this structure, the Full Council (all the Councillors) elects a Council Leader, who is usually the leader of the largest party. The Leader then appoints a small Cabinet of other Councillors, each with a specific policy portfolio.**

To a large degree, this mirrors what happens in central Government – the 'ruling party' with a majority hold the major roles. The Leader (analogous to Prime Minister) and Cabinet Members (often called 'Portfolio Holders' in a Council) make a lot of executive decisions. Councillors from other smaller parties who do not have a majority are like opposition MPs in Parliament. They can bring Motions to Full Council for debate, and they represent the people in their Ward. But largely speaking, they cannot compel Officers to do anything that hasn't been signed off by Cabinet. Councillors from the leading party without a Cabinet role/portfolio are known as backbench Councillors and they, along with opposition Councillors, can also sit on a range of committees, including the very important Scrutiny Committee (which allows the rest of the Council to review Council decisions and hold them to account), and other statutory functions like Planning.

## The role of Cabinet

**The Cabinet makes the major decisions: it approves strategies, authorises significant contracts, and sets the policy direction for Officers to follow. Individual Cabinet Members have authority over their Portfolio area.**

For community solar, the most relevant Portfolio Holder might well seem to be the Cabinet Member for Climate and Environment, but remember that this person is highly unlikely to have control over what you really need: assets and property, and legal or procurement functions are far more likely to sit under another Cabinet Member, such as 'Finance and Estates' or a similar title. In some Councils, this may even be the Leader's Portfolio.

There are a few things that Councils have to do by law. These are called their Statutory Duties, and include things like running a planning service, or schools, and dealing with waste.

For anything non-statutory (such as getting involved in community energy schemes), then an active decision has to be made that the Council is going to move forward with it. The Cabinet is ultimately the decision-making body you need to reach, because it is through their approval that activities end up adopted into the Corporate Plan and resources are allocated to make these happen, and monitoring and reporting requirements are set. A Decision Paper (Cabinet report) going to Cabinet is what will most likely unlock the detailed discussion and allocation of resource. Once it is approved at Cabinet, it can be added to the Corporate Plan, and Officers have their mandate to act.

## Full Council

**All of the Councillors meet, normally once a month, at a meeting usually just called 'Council' or 'Full Council'. This can be a fairly heated and political environment in many Councils, akin to debates in Parliament. However, it can also be a great avenue for bringing forward ideas that will ultimately end up as Decision Papers for Cabinet to consider and approve.**

The idea of adopting a formal strategy that the Council should support the installation of community solar on its assets could come to Cabinet via that route. A supportive Councillor that you know could use the template Motion in this resource pack to raise this for debate at Full Council, with the aim of getting a majority vote that a detailed Decision Paper should be brought to Cabinet. All of the materials for this are provided in the Guide, but you should be wary of working with a Councillor who intends to use this for political theatre, or in a situation where they aim to score political points against the administration, knowing that the Motion will be rejected. Only use the Motion route with a Councillor who is sure they can get a cross-party supported outcome, or you may risk the outcome that the Council has discussed community energy and decided not to pursue it, potentially setting back your cause by several years.

Members of the public and community groups can attend Full Council and Cabinet Meetings, and, depending on the Council's Constitution, ask questions and make deputations to them.

## Alternative ways of running a Council - The committee system

A minority of Councils operate a Committee system instead of a Leader and Cabinet model. Bristol City Council moved to this system in 2024, and it is used by a number of other Councils. Under this structure, there is a Leader but no Cabinet. Instead, decisions are made by politically-balanced Committees covering different service areas. The Committee covering your area of interest (possibly Environment, but remember again this is ultimately a decision for how assets are best utilised) is the body you need to get your idea in front of. The process is different but the principle is the same: you still need a formal report going to the right Committee.

# 7.6 Schemes of Delegation - when political approval is not needed

**Reading the previous two sections, you might conclude that every decision your Council makes about community solar has to go through Cabinet. This is not quite right, and understanding the exception matters as much as understanding the rule.**

Every Council operates what is called a Scheme of Delegation. This is a document (usually part of the Council's Constitution, and published on its website) that sets out which decisions can be made by Officers acting on their own authority, without needing a decision from Cabinet or Full Council. Delegation is typically organised by value threshold and by decision type.

For example, a Council might allow a Director to sign off any contract below £100,000, whilst anything above that threshold requires Cabinet approval. Thresholds vary enormously between Councils: a large Metropolitan Borough might delegate Officer authority up to £500,000, whilst a small District Council might require Cabinet sign-off on anything above £50,000.

## For a Community Energy Group, this is important for two reasons.

First, it is possible that an individual site lease or licence, e.g. for a single rooftop on a relatively small building, would fall below the value threshold at which Cabinet approval is required. If the estimated value of the concession over its lifetime is modest enough, the relevant corporate Director or Head of Estates may be able to sign it off as a delegated Officer decision, without it going to Cabinet at all. This can be significantly faster, because a delegated Officer decision does not require a place on the Cabinet Forward Plan and does not need the six-week notice period that Key Decisions require.

Second, and equally important, once a Cabinet decision has been made to adopt a Community Solar Strategy (via the Decision Paper process provided elsewhere in this toolkit), that decision itself can be used in some circumstances to create a new delegated authority for future site-level decisions. Cabinet approval is sought once, for the overall programme, and individual site decisions are then made at Officer level within the parameters set by that approval. The Council's Scheme of Delegation is updated or confirmed to allow the relevant Officers to execute leases and licences without returning to Cabinet each time.

This may well represent the most efficient route for an ambitious group that is hoping to work with a Council across multiple buildings over time. Getting Cabinet to adopt a Community Solar on Council Assets Strategy is, if you have this sort of ambition, an investment of time that makes everything after it faster.

## There are two cautions worth noting, however.

The first is that 'below threshold' does not mean 'below scrutiny.' A delegated Officer decision can still be called in by Councillors in most Councils, and Officer decisions are still also public documents. If a delegated decision to grant a roof lease to a Community Energy Group is politically controversial, it can still be challenged and delayed. Political support at Portfolio Holder level remains valuable even for decisions that do not technically require it.

The second caution is about aggregation. Procurement rules (and most Councils' own Contract Standing Orders) require that the total value of related contracts is considered together, not as individual separate items. This means that if you are hoping to agree leases across multiple buildings with the same Council over time, a Procurement Officer may well conclude that the aggregate value of those arrangements triggers a full competitive procurement process, even if each individual lease would fall below the threshold on its own.

### In summary

The Scheme of Delegation is potentially very helpful, but only once the right senior authority is in place to underpin it. Find your Council's Constitution on its website, look for the Scheme of Delegation, and check the thresholds that apply to property and contract decisions. Then ask your Officer contact what delegated authority already exists, and what a Cabinet decision would need to say in order to create the delegated route for individual site decisions going forward. This can then inform the detail that goes into the Decision Paper.

# 7.7 Getting to an adopted Community Solar on Council Assets Strategy

**Everything in this Guide is geared towards supporting ambition in Community Energy groups, who want to develop a range of projects on Council land and assets. To do this, it is worth investing the time to help champion Officers or Members bring a formal Decision Paper in front of the Council's decision-making body.**

## The Decision Paper - the anchor document

**A Decision Paper (also called a Cabinet Report, or in some Councils an Executive Report) is a formal document that goes through the Council's governance process and results in a recorded Decision. It usually results in a binding instruction to Officers to proceed.**

Before a Decision Paper reaches Cabinet, it has to be signed off by the relevant corporate Directors and Head of Legal Services. There should be no major surprises at the meeting where Cabinet discusses the issue.

This is why the document you are reading now is part of a wider set of resources that includes a Decision Paper template, a Strategy template, and a Full Council Motion template. These are the tools that Council Officers use to move a proposal through governance and get you the embedded, senior support you need. If your sustainability Officer contact or Councillor champion has access to these documents, they now hopefully have what they need to start that process.

# What you can do now

**There are practical steps your group can take to help this process along:**

## Help with the evidence base.

A Decision Paper needs financial figures, case studies, and a description of the proposed model. You can legitimately offer to provide case study material, indicative financial modelling, and examples of how similar arrangements have worked elsewhere. You are not writing the Decision Paper (that is the Officer's job) but you can make it much easier for them to write it.

## Find a way to the relevant Portfolio Holder.

If you can get a direct conversation with the Cabinet Member who holds the relevant Portfolio, even briefly, it makes a significant difference. A Portfolio Holder who has expressed interest in a proposal will often be able to accelerate its progress through the Officer layer. Ask your sustainability Officer contact whether they can arrange an introduction, or look for other routes: community events, Council meetings, or your local connections (the relevant Portfolio Holder may also be the Ward Member in your area?) Help them to talk to their equivalent at another Council who has done this, preferably one from the same political party.

## Be patient and politely persistent, but do not engage in activist tactics.

Council processes move slowly and Councils are rightly risk-averse. Many of them are also in the throes of LGR. The Forward Plan for a Key Decision typically requires six weeks' notice before a decision can be taken. A Decision Paper will go through at least one round of Officer comments before it reaches Cabinet. It can take a bare minimum of three months for a report like this to get into a meeting cycle. Build these timelines into your expectations, keep in regular contact with your Officer contact so the proposal does not drop off their priority list. Whatever you do, do not send 'copy-all' emails to a huge list of elected Members or senior Officers demanding action: you will attract a reputation as an irritant rather than a potential delivery partner.

# 7.8 A final note on politics and timing

**Even if you are not in an LGR area, there will also be the normal pressures of Council political life to negotiate. Local elections happen every four years in many areas, with 'all-out' elections where every seat is up for re-election. In other areas, Councils operate an 'up-in-thirds' system where one third of the seats are contested each year for three years, followed by a 'fallow' year. Many of those will cease to exist after LGR but it is likely that about 10% will continue to do their elections this way.**

However your Council runs its elections, it's important that you understand this cycle, and engage with all political players who may ultimately be in power as your proposals progress, and that you have been careful to think about the narratives you present for your project. Be as politically neutral as you can. If your project comes before Full Council as a result of a Motion (provided elsewhere in this toolkit), do everything you can to try to get the Motion proposed and seconded by Councillors from different parties. A cross-party Motion is far more likely to be adopted.

The combination of LGR and highly variable political control in some areas is why the resources in this toolkit are designed to get your work on a solid, corporately-supported footing in your local Council as soon as possible. The surest way to protect the status of Community Energy Organisations as delivery partners from political change is to get it adopted as formal Council policy (via the Strategy and Decision Paper process) rather than leaving it as an informal understanding with individual Officers or Members who could lose their jobs or their seats.

# 7.9 APPENDIX - Solar on Council-owned schools

**Many Community Energy Organisations are keen to progress solar projects on their local schools. Schools are often anchor organisations in a community; they are highly visible, and offer great opportunities to advertise share offers and educate students and the wider community about renewable energy and energy-saving in general.**

However, two factors make this approach less straightforward than it could be:

1

Not all schools are owned by the Local Authority – this is a persistent source of confusion for the community energy sector wishing to work directly with their Local Authority to access school sites. The table below provides a summary of the types of school that exist. If you are interested in schools in particular, you should liaise with the education department at the Council to access a full list of schools for your area, with their classifications, so that you gain a realistic insight into which ones the Local Authority can most effectively help you engage with.

2

Most schools require additional approvals to allow solar leases, which have to be granted by the Department for Education. This has been the case for some time and does not constitute a block on development, but should be built into your timetable as the approval process can be slow. You will need to follow the information on this government web page (https://www.gov.uk/guidance/submit-a-school-land-transaction-proposal), and complete the appropriate forms for your case.

However, note that the DfE consenting process is in a process of change, which has affected schools projects for several months now, and will continue to do so until autumn 2026...

A new international accounting standard came into effect on 1st of April 2024 (IFRS16). This removed the distinction between 'operating leases' (which most community solar on schools would be classed as), and 'finance leases'. Both are now classed as debt. The implications of this were that it caused confusion as to whether schools are allowed to take on the debt of entering into a long-term Power Purchase Agreement with an organisation that is renting their roof for solar generation, and selling the power back to the school.

This change caused a pause in the processing of DfE schools solar consents for some months during 2025. Following lobbying from the community energy sector, The Department of Education began re-accepting approving solar panel installations for PPA projects on school roofs while working on new arrangements in parallel.

As of July 16th 2026, applications have once again been temporarily paused. However, this is a targeted pause, triggered by the DfE's announcement of a pilot programme across 150 schools and colleges to unlock external finance for solar installations at scale. This will involve them testing their proposed schools-specific PPA and lease documents, the aim of which is to streamline this process in the future. The pilot will operate in the South East, the East Midlands, and Yorkshire and the Humber.

The DfE's July 2026 guidance stipulates that applications for schools solar that are submitted after 15 July 2026 must use the new PPA and land lease templates, but also notes that these templates will not be published until autumn 2026 following a testing period. The guidance distinguishes between schools selected for the 150-school pilot (in Yorkshire & Humber, East Midlands, and South East) and other schools, but does not clearly specify whether non-pilot schools can proceed during the testing period or must also wait for template publication. This ambiguity therefore creates a de facto pause for projects on many schools. Consult the DfE guidance page at the time of your asset assessment for the latest developments:

https://www.gov.uk/government/publications/power-purchase-agreement-pilot/funding-for-installing-solar-photovoltaic-panels-on-schools-and-colleges

# A summary of the types of school and responsibilities

| School type | Most likely body that will: Own the school's land/ buildings | Pay for the school's running cost | Sign off any lease/PPA |
|---|---|---|---|
| **Community School** | Local Authority | Local Authority | Local Authority & DfE |
| **Pupil Referral Unit** | Local Authority | Local Authority | Local Authority & DfE |
| **Voluntary Controlled** | Trust (usually Diocesan) | Local Authority | Local Authority |
| **Voluntary Aided** | Trust (usually Diocesan) | Local Authority and Trust | Local Authority, Trust and/or Diocese, & DfE |
| **Foundation School** | Trust | Local Authority and Trust | Local Authority, Trust and/or Diocese, & DfE |
| **Free School** | Trust | Trust and DfE | Local Authority, Trust & DfE |
| **Academy Converter** | Academy (single or Multi Academy Trust) | Academy/MAT and DfE | Academy/MAT & DfE |
| **Academy Sponsored** | Academy (single or Multi Academy Trust) | Academy/MAT and DfE | Academy/MAT & DfE |

**A final note on schools –** falling school rolls (due to lower birth rates) means that in some areas, school estate rationalisation may be needed in the next 10-20 years.  Your Council's education team should be engaged very early to understand both the ownership situation (as per the table above) and any concerns about long-term leases on school buildings that may need to be disposed of.