



Transport and Environment Committee

10 am Tuesday 12 January 2016

Dean of Guild Court Room, City Chambers, High Street, Edinburgh

Transport and Environment Committee

Convener:	Members:	Contacts
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Recent news

Edinburgh Community Solar Co-operative Project

A signed Agreement between the Council and Edinburgh Community Solar Co-operative (ECSC) is now in place, granting a licence to ECSC to install community-owned solar panels on Council-owned buildings. The Agreement also includes details of the intended service and community benefits to be provided by ECSC.

ECSC launched their public share offer on the 29 September, beginning their process of raising the £1.4 of capital required for installations. In mid November, the ECSC Board took the decision to extend the share offer to investors outside of Edinburgh to maximise ECSC's ability to raise funds. ECSC secured the full £1.4m funding by the 1 December 2015 deadline.

On 20 August 2015, the Council appointed Councillors Chas Booth, Bill Henderson and Lesley Hinds to the Board of Edinburgh Community Solar Co-operative. There are now 11 members on the [ECSC Board](#).

The UK Government's Feed in Tariff programme guarantees a rate of payment for electricity generated from qualifying solar panel installations. ECSC submitted their application for Feed in Tariffs in September 2015 thereby securing a defined Feed in Tariff for a period of 12 months. ECSC have a contractor in place and intend to progress with further survey work and installations now funding is in place.

The UK Government is implementing changes to both Feed in Tariffs and the Enterprise Investment Scheme which will have a direct impact on this scheme as well as a broader impact across the solar industry.

Up until the end of November, investors in ECSC benefited from the Enterprise Investment Scheme which offers tax relief on shares. As of 30 November 2015, community renewable programmes are no longer eligible for tax relief under the scheme. Whilst this coincides with the intended closure of the share offer, the removal of this benefit will impact on ECSC's ability to raise further funds moving forward.

Following a public consultation, the Government proposes to significantly reduce the level of Feed in Tariff revenue for

Background

ECSC's plan to install community owned solar panels on up to 25 Council-owned buildings. Capital to fund the scheme has been raised through a public share offer.

ECSC will create a community benefit fund which will distribute up to £1m in grant funding over the 20 year duration of the agreement. In addition, ECSC will engage a board of directors and the wider public in energy related activities across Edinburgh. There is potential for Council buildings, and associated communities, to benefit directly from the scheme.

Community renewable schemes have the potential to deliver a range of social and economic benefits to local communities, including increased autonomy, empowerment and resilience. Coalition ['Pledge 53'](#) confirms the City of Edinburgh Council's commitment to community-based energy initiatives.

The introduction of renewable generation in the Council's estate would be welcomed by many who see

solar PV schemes by around 64% from February onwards. The Government have also removed the ability for community groups to register schemes prior to installation works (and 'lock-in' a defined feed in tariff rate). ECSC registered for Feed in Tariffs in advance of the changes so this shouldn't impact on current buildings under the proposal. However, these changes will make it more challenging for ECSC to add additional buildings in to scope for this agreement or for this delivery model to be replicated in the future.

renewables as a visible and tangible demonstration of environmental commitment. Electricity generation consumed on-site would contribute towards reducing the Council's Carbon Emissions, and would also contribute towards high level policy objectives.

Forthcoming Activities:

None