#BeTheSolution

London Councils Community Energy Toolkit

The Strategic Case

REGEN

REPOWERING LONDON

LONDON COUNCILS

Contents

This section of the toolkit will help you to understand community energy and the value that it might bring to your borough.

It sets out the benefits that community energy projects can create, with links to studies and evidence. You might use the information in this section when making the case to support community energy in your borough.

Introduction

By embracing community energy, councils can signal a commitment to democratic climate action, positioning themselves as leaders in a just transition. With the right support, these projects can become flagship examples of how local government can drive net-zero in a way that is inclusive, credible, and enduring.

This section of the toolkit will equip you with knowledge and evidence to make the strategic case for community. You might use some of the information in it when writing briefings to members or creating initial proposals to invest resources in community energy support.

This section of the toolkit will help you to understand:

- What community energy is and the different types of project, governance and business models
- The value and benefits of community energy as demonstrated from extensive experience and research
- The high-level opportunity for community energy for London boroughs.
- Common concerns

1.

What is community energy?

This section contains information on:

- What community energy is
- Types of community energy organisation
- Typical business models

What is community energy?

While there are various definitions of community energy, the guiding principle is the delivery of low-carbon energy projects that are not-for-profit, led by the community for the community's benefit.

The Department for Energy Security and Net Zero defines community energy as:

> **"Community energy projects involve groups of people coming together to purchase, manage, generate, or reduce consumption of energy. This includes (but is not limited to), solar panels, wind farms, hydro power, rural heat networks, electric vehicle charging points, car clubs and fuel poverty alleviation schemes. Programmes are usually not-for-profit, and profits raised from projects are reinvested back into the communities which they power."**

A key distinction to note is between community energy and local energy projects. A project being smaller or local does not make it community energy, which is typified by community ownership, governance, and benefits delivered locally as a driving priority.

Community energy covers a range of governance, operational and business models, as outlined in the rest of this guide. Across these, community energy is typified by three key, consistent features, as set out by Community Energy England:

1. **Democratic control:** Projects are governed by their members, generally local citizens and organisations, with clear democratic input into decision-making and the distribution of profits.
2. **Sharing benefits:** Ensuring that profits and value from projects are delivered in the local community is the priority.
3. **Active participation:** Involvement from a range of community members and stakeholders to ensure projects and their value meet the needs and ambitions of diverse local people.

You can view a video introduction to community energy by Power to Change here.

Types of community energy organisation

According to the annual state of the sector report conducted by Community Energy England, Scotland and Wales, 35% of recorded CEGs are constituted as community benefit societies, followed by limited companies (23%), community interest companies (11%), co-operatives (10%) and charities (9%). Some are also unincorporated (8%).

These types of governance structures often prioritise or legally tie the organisations to working for community benefit. They are also usually one member, one vote, which makes decision making more democratic.

CEGs are typically volunteer-led, with 83% of the workforce being volunteers. In London, there is a mixture of volunteer-led and more professionalised oragnisations, with the latter often supporting the former. Examples include Repowering London supporting groups such as Lambeth Community Solar and Hammersmith and Fulham Community Energy.

Legal form	Can it issue shares?	Does it have to register with a regulatory body?	Is it suitable for charitable status?	Does it have an asset lock?
Company Limited by Guarantee	No	Companies House	Yes	No (unless charity)
Company Limited by Shares	Yes	Companies House	No	No (unless charity)
Community Interest Company (limited by guarantee)	No	Companies House & CIC Regulator	No	Yes
Community Interest Company (limited by shares)	Yes	Companies House & CIC Regulator	No	Yes
Charitable Incorporated organization	No	Charity Commission	Yes	Yes
Co-operative societies	Yes	Financial Conduct Authority	No	No
Community Benefit societies	Yes	Financial Conduct Authority	Yes	Yes (optional)

Table 1: Different legal structures of CEGs, from Community Energy London's 10 step guide to setting up a community energy group.

Typical business models

Community energy business models can be grouped into six main themes:

1. **Standalone power generation**, where community groups set up solar, wind or hydro generators and export to the grid to create revenue.
2. **On-site consumption**, where generation assets are installed to supply electricity to a local site via a private wire and individual Power Purchase Agreement (PPA) (e.g. solar on schools).
3. **Local supply and trading**, where generation assets sell their power to local consumers using local tariffs and price signals, usually in partnership with a licensed supplier.
4. **Flexibility**, where generation assets are paired with battery storage, allowing projects to make revenue by providing flexibility to the local network or accessing flexibility markets.
5. **Demand-side action**, including energy efficiency, retrofit, heat decarbonisation and fuel poverty advice.
6. **Low-carbon transport**, where community energy groups establish electric vehicle sharing clubs and charging hubs, often powered by community generation.

The most common projects delivered in partnership with local authorities are **on-site consumption**, where a CEG will build a generator on council buildings or land and sell that energy at a discounted rate back to the council, and **energy efficiency, retrofit and fuel poverty advice**, where they will support local citizens as trusted partners to access council support and services, or deliver measures directly.

Funding and finance models also vary, although there are some common trends. For generators of all sizes, grant funding is typically used to assess project feasibility, while debt finance and equity are more often used to fund construction.

For demand-side action, this is more often grant-funded by local authorities or national schemes, such as Energy Redress.

Refer to the toolkit section on access to funding and finance for more details.

2.

Types of community energy project

This section contains information on:

- Renewable energy generation
- Energy advice and fuel poverty support
- Low-carbon transport
- Low-carbon heat
- Flexibility and local energy markets

Renewable electricity generation

The most common model for community energy is the **development and operation of renewable energy generation**. In London, these tend to be rooftop solar projects on large roofs, with the electricity generated then sold to the host building or nearby users.

The development, operation and ownership of renewable assets generates revenue which can be used to deliver value to the local community through:

- Cost savings on energy bills to the site
- Interest paid to community shareholders in the projects
- The creation of community benefit funds that reinvest profits from the project into the local area, including funding retrofit measures and energy advice.

To understand how the borough can support community-owned renewable electricity generation projects, navigate to the establishing and supporting community energy section of the toolkit.

Community-owned generation projects can be delivered in a number of ways:

- **Full ownership and management by a CEG** where end-to-end delivery and operation is undertaken by the community energy group. This approach requires the highest level of resources, skills and risk appetite.
- **Partnership with enabling organisations**, such as Repowering London, who work alongside local community energy groups and support the delivery and operation of renewable generation schemes.
- **Shared ownership schemes**, where CEGs partner with private developers to take a stake in a renewable energy project in the community, without the resource and risk burden associated with full ownership. More information on the range of shared ownership models can be found in Regen's Sharing Power paper.

Energy advice and fuel poverty support

A large proportion of households in London are defined as being in fuel poverty. The latest data (2023) showed that 9.3% of households in Greater London were fuel poor, with many pockets of even higher levels of fuel poverty at the borough and ward level. For example, 13.3% of households are fuel poor in Newham, with some wards having levels as high as 20%.

Case study: South East London Community Energy (SELCE)

With a strong track record of delivering fuel poverty support and energy efficiency services, SELCE was incorporated into the South London Energy Efficiency Partnership, which is led by Lewisham Council. The move enabled the local authority to commission SELCE's expertise and capacity to deliver a range of advisory services for local residents. This work provides a sustainable revenue stream for SELCE to plan its operations over the short and medium term.

CEGs are increasingly looking to deliver energy advice and fuel poverty support as a service to households.
Services offered might include:

- **Appointments and drop-in sessions** for triage and general support
- **Home visits** and **retrofit assessments** to create an action plan for reducing energy bills and having warmer homes
- **Debt and finance support**
- Workshop sessions providing **one-to-many energy advice** and education
- Opening of civic and community spaces as **warm hubs.**

Community energy groups and their network of volunteers often have strong existing networks. These can provide routes to engage with members of communities who would otherwise be hard to reach for organisations such as councils or Citizens Advice.

Low-carbon transport

A key dimension of the energy transition is the shift towards low-carbon transportation. Ensuring equity and justice within this transition can be challenging, with issues such as the high up-front cost of electric vehicles presenting barriers to uptake for many households.

Community-led approaches to create greater access to low-carbon transport options can help to address this challenge. Models include:

- **Community EV car clubs:** Using a car club model, CEGs can own and operate EVs, which are available to members of the car club for a fee. This gives greater access to EVs for people who cannot afford the upfront cost or do not require car ownership.
- **Community-owned EV charge points:** Community organisations owning and operating EV charge point infrastructure.
- **Peer-to-peer charging networks:** Creating a network of domestic EV charge points to address limited access to charging infrastructure.
- **Community bike share schemes:** Community-owned bikes or e-bikes available for use by members of the community.

Case study: Derwent Car Club

The car club model is a good example of how CEGs can be supported to deliver a just transition in the shift to low-carbon transport. Derwent Car Club is a long-established example, providing residents in the north-east of England access to zero-emission vehicles. Replicated in London, this model would help a wide range of people who otherwise could not afford or practically own a car in London, giving them both greater mobility and the ability to participate in the transition to net zero.

Low-carbon heat

1/2

CEGs are increasingly looking at approaches to decarbonising heat as a way to reduce emissions, deliver savings on bills and tackle fuel poverty.

Community heat projects tend to focus on supporting or developing heat networks or the rollout of heat pumps.

Heat networks:

These are complex and capital-intensive, and usually led by commercial developers or local authorities. Community energy groups can be valuable partners in these coalitions, delivering engagement and advocacy within the community for projects which fundamentally shift the way communities heat their homes.

In addition, some professionalised CEGs are leading the development of community energy projects in their area. Examples include Aberdeen Heat & Power and Net Zero Terrace Streets.

What is a heat network?

Using a district heating model, multiple properties are connected into a network that receives its heat from a central point. These are usually most suited to areas with large numbers of high-rise residential buildings, a waste heat source or an 'anchor heat load', or areas where houses have limited outside space to locate an individual heat pump.

Case study: Net Zero Terrace Streets

A partnership between Rossendale Valley Community Energy and Rossendale Borough Council, NZTS aims to produce a replicable and scalable model for decarbonisation of mixed-tenure terraced housing. The goal is healthy warm homes at no upfront cost with affordable, low carbon energy. Council backing provided a signal of support in bids and funding applications that enabled the group to win funding they otherwise might not have. This video gives more insight into the partnership, while their website has a lot of useful resources.

Low-carbon heat

Heat pumps

Drawing heat from the ground, air or water, heat pumps can be used to heat individual properties, or multiple, as part of a heat network. Community organisations can explore bulk and funding options for heat pumps for individual community buildings or across the community. These may include government grants, local incentives or renewable energy financing schemes. They may also consider a community maintenance plan. This is not yet happening in the UK, but international examples include Efficiency Maine.

Open-door events and information workshops, held by CEGs, can help promote heat pumps and dispel some of the more commonly held beliefs about their installation and use. This can overcome potential customer concerns and address the lack of robust information available.

More information:

An introduction to community heat by National Grid Electricity Distribution and Regen.

Flexibility and local energy markets

Connecting community-owned renewables directly with households at scale is tricky under the current regulatory environment. However, community energy projects are exploring innovative models to deliver value to local people through local flexibility and local energy markets.

With greater renewable energy generation comes the need for more flexibility. This is enabled by energy storage and by consumers taking a more active role in the energy system, turning up their use when prices are low and demand is high, and vice versa. Community energy is capitalising on this through models such as Energy Local, which connects households to local generation via an app, allowing them to adjust their use and save money on bills. Other models include flexibility events that aggregate household- and community-level storage assets, and peer-to-peer trading between households with solar and storage, although these are less common due to regulatory complexities.

More information:

There's lots more detail in Community Energy England's Flexibility and network services guides.

Case study: Home Response

As part of The Mayor of London's Energy for Londoners programme, Home Response tested new smart energy technologies in homes, with the aim of cutting bills and encourage people to be more flexible in their electricity use. Repowering London took the lead in recruiting participants, keeping the project community-centred, and making sure people got the most benefit as possible.

Case study: Energy Local Totnes

A community energy project in Devon, Energy Local Totnes enables residents to use electricity generated locally, mainly from a hydro plant on the River Dart, benefitting from lower prices when local generation is available. The aim is to reduce bills, cut carbon emissions and strengthen local energy resilience by connecting generation and consumption within the same substation area. Repowering London is currently exploring a similar model.

3.

Value of community energy: The evidence

This section contains information on:

- Delivering net zero
- Trust and engagement
- Supporting a just transition
- Leveraging new investment
- Creating jobs and skills
- Alleviating fuel poverty
- Lowering bills

Value of community energy

Extensive evidence exists highlighting the social, economic and environmental value that community energy can create. This value includes (but is not limited to):

- **Delivering net zero:** Community energy can accelerate net zero delivery for local authorities, helping to decarbonise energy supply and buildings, generating community buy-in in the process.
- **Supporting a just transition:** Research shows that community energy projects typically deliver outreach, engagement and value to less affluent and marginalised groups as a driving priority.
- **Leveraging new investment:** With access to national and community funding, community energy projects can help shoulder the cost of net zero and deliver new investment to the local area, aligned directly with council and community needs.
- **Creating jobs and skills:** Community energy projects create jobs in local areas, specifically around community engagement, project management and installation, and support the upskilling of community members and stakeholders.
- **Trust and engagement:** Through a sense of ownership and clear benefit, community energy projects promote local pride and community cohesion and help build trust in the energy transition.
- **Alleviating fuel poverty:** CEGs can be pivotal in supporting those struggling with bills, often using revenues to provide direct advice and support, improving health and wellbeing.
- **Lowering bills:** Through local supply and energy efficiency improvements, community energy projects have a track record in reducing bills for businesses, public sector buildings and households.

Each of these statements are further explored in the following slides.

More information:

The value of community energy: a digest of supporting evidence from the Energy Learning Network is a literature review of key sources.

Delivering net zero

The Mayor of London has set a target for London to be net zero carbon by 2030. Alongside this, most London boroughs have declared a climate emergency.

Community energy can support meeting net zero targets through increasing renewable energy generation to supply council buildings with clean, low-cost energy use and reducing energy use through energy efficiency, heat and retrofit upgrades. They are also trusted local partners for enabling inclusive engagement and value creation from local net zero projects (see following slides).

Key facts and figures

- UK community energy projects cut 166,000 tonnes of CO_2 in 2023, equivalent to 209,000 round-trip flights from London to New York (assuming 792kg CO_2 per flight/passenger)
- In 2024, community-owned energy produced 545 GWh of low-carbon electricity, enough to power over 212,000 homes for a year.

Council-specific benefits to net zero delivery

By using council-owned buildings for rooftop solar projects, which are often favoured by CEGs, the council can reduce the emissions of its own operations and deliver on net zero targets while also saving on energy bills, without needing to put up the capital investment or resources for operations and maintenance.

For example, North Kensington Community Energy (NKCE) installed 306 solar panels across three council-facilitated sites. These projects totalled 86 kW, generating 69,800 kWh of energy annually. Over its 20-year lifetime, this project will save an estimated 643 tonnes of carbon dioxide from entering the atmosphere. More information on this case study can be found here.

Currently, for every 1 MW of installed renewable capacity that displaces grid-bought electricity, the carbon savings will be approximately 149 tonnes of carbon per year. (Using 2024 figure of 124 gCO_2/kWh for grid electricity.)

Trust and engagement

A strong community energy presence, owned and governed locally and transparently, helps build trust in the transition to net zero, enabling more effective and collaborative delivery of council net zero action that reflects local priorities.

This approach can encourage a lasting cultural shift in attitudes toward climate action, helping people feel more invested and connected because they have a direct stake in local climate initiatives.

Key facts and figures

- On average, UK citizens are more supportive of community-owned energy projects (60%) than commercial developments (40%)
- Surveys have shown that community energy projects increase community empowerment/pride, feelings of social cohesion, and enthusiasm about net zero.

CEGs likewise have a key role to play as engagement and delivery partners on council ambitions, such as Local Area Energy Plans and Climate Action Plans.

As trusted local actors, community energy groups can and often do bridge the gap between citizens and the council, bolstering legitimacy of council plans and programmes while ensuring that these in turn reflect the needs and ambitions of citizens. They can also provide additional resilience within communities, supporting with emergency readiness and outreach during extreme weather events such as heat waves and providing warm spaces and support through the winter.

Case study: Communities for Renewables Covid funds

In the first week of the Covid-19 lockdown, the Communities for Renewables collective of local energy enterprises mobilised £100,000 of crisis funding to support those facing hardship in their communities. They were able to do this ahead of the government, and ensure it was targeted where it was urgently needed. The funds were distributed from surpluses generated by community-owned solar arrays, illustrating how local ownership of energy (and other infrastructure) can help communities to be more resilient.

Supporting a just transition

Through their democratic nature, community energy projects often proactively engage low-income, working class and marginalised groups in project decision making and profit distribution. They can also facilitate inclusive engagement as trusted organisations in less-affluent and often-excluded communities.

Many organisations likewise leverage profits to support local people struggling with bills and fuel poverty, or to improve their health and wellbeing through energy efficiency and advice.

Key facts and figures

- Community energy projects in Scotland are more often located in areas of higher deprivation, delivering more than £5.1 million in community benefits per year.
- More than a quarter of community energy groups deliver energy advice to those struggling with bills and financial hardship.

Council-specific benefits for a just transition

CEGs can play a key role in supporting a more just transition at the local level:

- Facilitating inclusive engagement on net zero plans and programmes as trusted local actors
- Redistributing profits to support overlapping council ambitions, such as retrofitting fuel-poor homes and investing in local businesses, services or assets
- Increasing public ownership and participation in energy projects, developing community capacity and cohesion.

Of course, community energy projects are not equitable by default. Research by Regen demonstrates how community energy projects can deliver more 'just' outcomes through governance, finance, engagement and benefit-sharing. This could be used to guide council-led community energy programmes.

For more on improving diversity and inclusion in the community energy sector, see the Embedding community energy section of this toolkit.

Case study: SE24 Community Fund

Sustainable Energy 24 (SE24) is a not-for-profit community benefit society working in South East London. Any surplus from its rooftop solar installations is put into its community fund.

The primary aim for the fund is to support local people facing fuel poverty. This has included:

- Setting up their own energy efficiency project to support people living on Kingsdale Estate
- Partnering with Repowering London to pay for fuel poverty and energy advice workers on the Loughborough Estate
- Supporting Christians against Poverty to purchase fuel vouchers and provide emergency cold weather packages for those in need

Partnering with Groundwork on its Green Doctor programme, which provides frontline support for those facing fuel poverty.

SE24's projects span multiple boroughs in South London. They have received financial support from GLA's community energy fund and Southwark's community energy fund.

Their projects align with multiple climate action plans in Lambeth and Southwark both of which have targets to support community resilience and renewable energy generation.

More information:

Visit the SE24 community fund website.

Leveraging new investment

Community energy projects can attract external private and public investment into the borough through community investors, commercial loans, grants, national or regional funding pots and revenue generation.

Projects are often delivered with no upfront capital cost to the council, allowing it to redirect funds to other priority areas. Community-owned assets are also typically maintained by the community energy group for the lifetime of the project, further reducing the local authority's budget and resource burden.

Key facts and figures

- Newham's community energy programme stimulated an additional £2.1m in local net zero funding.
- Previous schemes such as the Urban and Rural Community Energy Funds unlocked £500 million of community investment from just £15 million of government funding.
- Analysis of London Community Energy Fund projects shows that for every £1 provided, groups then went on to raise between five and seven times this amount through community share offers or other investors.
- Community Energy London community share offers regularly overachieve their targets and secure funds faster than anticipated. This is still a largely untapped opportunity for green investment.
- The UK government has committed an additional £1 billion in funding and finance for local and community energy projects, to be delivered by Great British Energy through the Local Power Plan.

Contrary to commercial energy projects, community energy has the added value of reinvesting profits into the local area, democratically allocated to local priorities. The 2025 Community Energy State of the Sector Report shows that community energy projects contributed £20.5 million to local economies from organisational expenditure and community benefit funds.

Creating jobs and skills

Community energy can be particularly valuable for local jobs, skills and supply chains. While projects often rely on volunteers, the sector now employs hundreds of people nationally and local projects can support additional employment in your borough through installation contracts, paid energy adviser and project manager roles, and facilitating youth skills and apprenticeship opportunities – often paid for by community benefit funds.

Such projects also provide significant, sustainable upskilling for community members, providing practical experience of navigating funding and finance, procurement, legals, and complex project management – building capacity in communities for other, more ambitious future projects.

Likewise, community energy projects can enhance local supply chains, often favouring local installers, contractors and businesses in procuring services and materials.

Key facts and figures

- The community energy sector currently employs almost 1,000 FTE staff across a range of roles.
- CAG consultants analysis of community energy in Devon showed community energy to have a multiplier effect, improving social and economic outcomes (such as GVA, skills and supply chain benefits) by up to 50% per MW compared to commercial projects.

Case study: Repowering London youth training

Repowering London hosts various initiatives, such as the Voyage to Repower programme to train young people for work in green industries, and the ReCreate education programme for primary school children. It also partners with other community energy groups, like North Kensington Community Energy and Community Energy Newham, to involve youth in co-designing community energy projects.

Alleviating fuel poverty

Across London, one in ten households are struggling to afford their energy bills during the winter months. Whilst city-wide coordination, including the London Fuel Poverty Partnership, supports collaboration at a higher level, community energy groups excel at reaching residents the council struggles to engage with, such as older people, renters, minoritised communities, and those with limited English.

Organisations will often redistribute their surplus through community benefit funds. These are often used to support tackling fuel poverty. For example, they may fund energy advice services that provide advice, emergency aid and measures to households living in fuel poverty.

Key facts and figures

- In 2024, South East London Community Energy supported 2392 households in fuel poverty, with an average saving of £442 per household.
- Plymouth Energy Community reached over 11,000 households with support and advice through the energy crisis.

Case study: South-East London Community Energy

South-East London Community Energy addresses fuel poverty through a multifaceted approach that includes improving energy efficiency, providing targeted financial support, and ensuring that the most vulnerable populations are prioritised. Its programme includes free, expert one-to-one energy advice. In 2024, it supported 2,392 households, saving an average of £442 each. The associated reduction in carbon emissions for the programme was 1,096 tonnes of CO_2. Read more in SELCE's latest impact report.

For examples further afield, the Social Return on Investment for the Cosy Kingdom, a free energy and debt advice service in Fife, showed for every £1 invested, £34 of benefits were generated. Recorded benefits included improved health and wellbeing due to warmer homes and less stress around finances, and increased awareness, understanding and confidence to use energy more effectively.

Case study: Staffordshire Community Energy

Established in 2016, Staffordshire Community Energy installed over 1,000 solar PV panels on eight NHS Trust buildings in Stoke-on-Trent and Staffordshire, financed via a community share offer over 20 years.

The ambition of the project, in partnership with the NHS Trust consultants and staff, is to use community energy as a way to improve health and wellbeing for those in fuel poverty. Surplus profit is used to fund referrals by the NHS Trusts to local fuel poverty charity Beat the Cold, for patients regularly presenting with health issues relating to cold, damp homes.

A 2017 study by the NHS Trust showed that, as a direct result of the project, 13.4% of patients regularly presenting were not readmitted, with a further 38% reduction in emergency readmission within 30 days after discharge. The project is estimated to have saved over £200,000 through this reduction in readmission rates for fuel poverty-related illnesses.

Lowering bills

Community energy projects can lower bills for local people.

This can happen through cost exemptions which smaller community energy generators receive (under 5 MW), enabling them to sell their electricity to local users at a discounted rate.

Where generators sell to local households and encourage more flexible energy use, such as in the Energy Local model, this can reduce bills for people directly.

Energy efficiency, retrofit measures and advice delivered by community energy groups can also lower bills for households substantially.

Key facts and figures

- The Energy Local model, which sells electricity from locally owned renewables to local households, has saved users in Bethesda 24% on their energy bills
- CEGs saved UK residents £4.4 million on energy bills between 2020 and 2024 through energy efficiency initiatives and advice services.

Council-specific benefits

The opportunity to lower bills on council estates by purchasing community-generated power is significant, with the potential to save substantially on the typical electricity unit rate through cost exemptions.

Outside of innovative projects like Energy Local Clubs, which are technically complex and not widely adopted yet, local supply to households – e.g. via local tariffs – is currently more challenging due to a complex regulatory environment. The UK government is exploring ways to make community power more immediately available to local citizens, which could be transformative for the sector.

4.

A case for community energy in London

This section contains information on:

- Current capacity of community energy
- Community Energy London's vision
- Borough specific solar potential

Current capacity of community energy

London is home to a growing community energy movement.

Driven by engaged citizens, and with support from the Mayor, the GLA, London boroughs, and organisations such as Community Energy London and Repowering London, it has been steadily expanding across London.

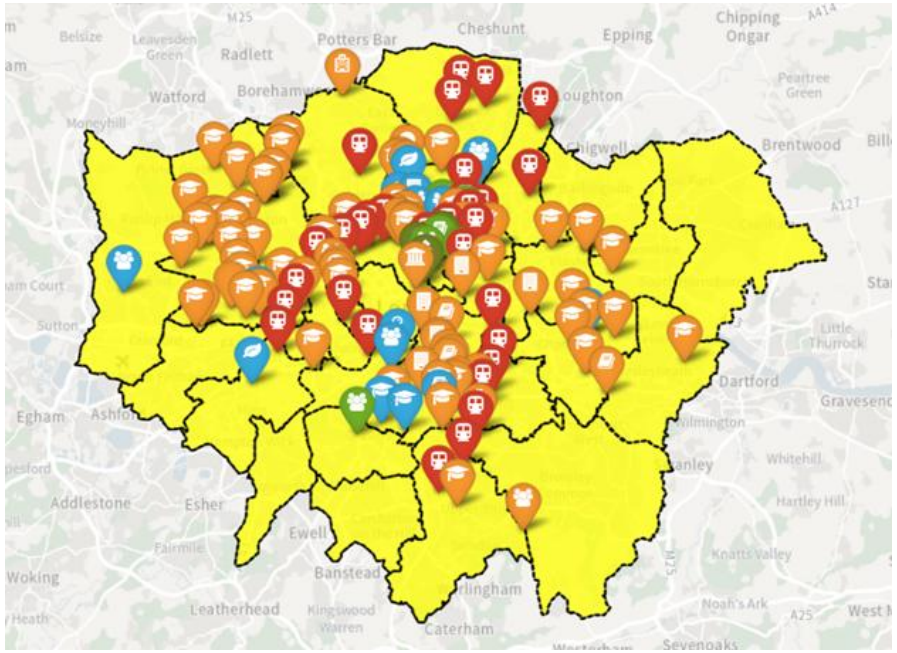
Community Energy London (CEL) is a membership organisation that supports community energy projects across London. It has more than 60 members, from faith groups working to decarbonise worship space to CEGs with paid staff delivering energy advice services, generation and innovation projects across multiple boroughs.

Since 2017, The Mayor's London Community Energy Fund (LCEF) has funnelled £2.5m to 194 projects across 65 community organisations, including over 3.7 MW of solar capacity. Phase 8 of the LCEF closed in December 2025 and is set to issue up to £630,000 of grant funding for use in 2026.

Together with borough community energy funds, this will support further expansion of the sector in London.

Community Energy London project map

Community Energy London's project map lists over 150 projects. The tool enables you to gather borough-level data using the filter and identify information about individual projects.



CEL's Vision for London

The opportunity is significant. Community Energy London (CEL) has identified 20,849 community buildings in London which may be of interest to community energy groups.

Of these buildings, 11,508 have been identified as able to host a solar PV installation of more than 20 kW. This would equate to a total of 1,126 MW of electricity generation - equivalent to powering ~350,000 homes (~10% of London homes) and saving over 200,000 tonnes of carbon annually.

Up to 85% of these buildings have an EPC rating below C - nearly all of them will need 'deep retrofit' (i.e. extensive low-carbon measures such as energy efficiency and solar PV) if London is to achieve its net zero goal.

Based on the study, CEL has set a vision to have 1,000 community energy projects in place across the city by 2030 –
an approximate six-fold increase over the current level of projects.

This equates to around 30 projects in each London borough by 2030.

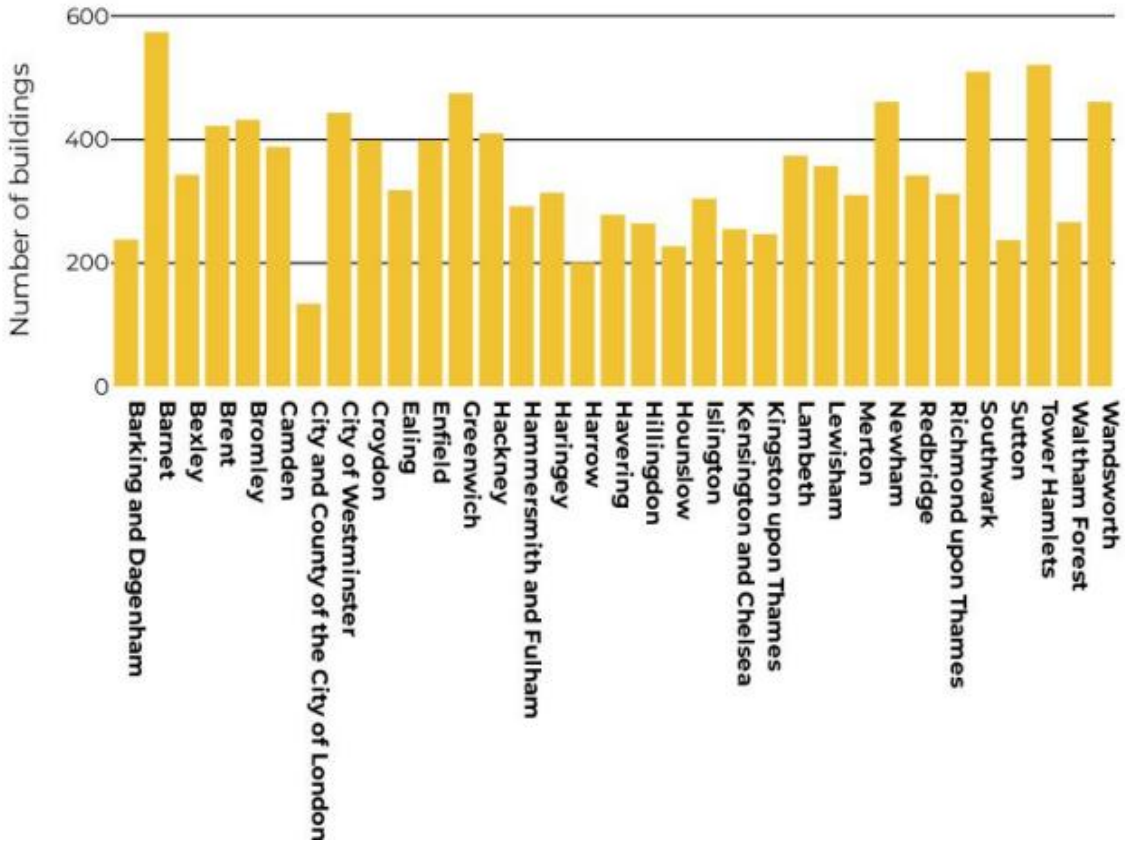
Example figures from Hammersmith and Fulham Community Energy show that 119 kW created £10,500 in community funds over its lifetime, with £2,000 in annual bill savings. Using these figures, in a single borough, 30 projects with 60kW generation potential could save community buildings ~£30,000 a year on their energy bills, while saving £157,500 in community funds over 20 years.

Crucially, to achieve these ambitious targets, CEL has called for increased collaboration between community energy groups and local authorities, continued support from the London Community Energy Fund, wide promotion of community energy, and further support for the sector to better quantify and value the co-benefits of projects (outlined further in the value of community energy section).

More information

Read the full Vision for London report and recommendations here.

Borough-specific solar potential 1/2



Source: Community Energy London's Vision for London report

CEL's analysis highlights that some outer London boroughs have significant untapped potential for community solar projects.

This graph shows estimates of the number of buildings with solar potential in each borough.

For more granular level of detail on which wards have the highest community potential, you can view the full results of the analysis here.

Separately, the Zero Carbon Accelerator has produced reports highlighting 10 sites with strong potential for community solar projects in each Borough.

These have been identified using GIS mapping and benchmark energy consumption data, indicating their viability for solar installations that could generate returns for community energy groups. Contact climateunit@londoncouncils.gov.uk to request access.

Borough-specific solar potential 2/2

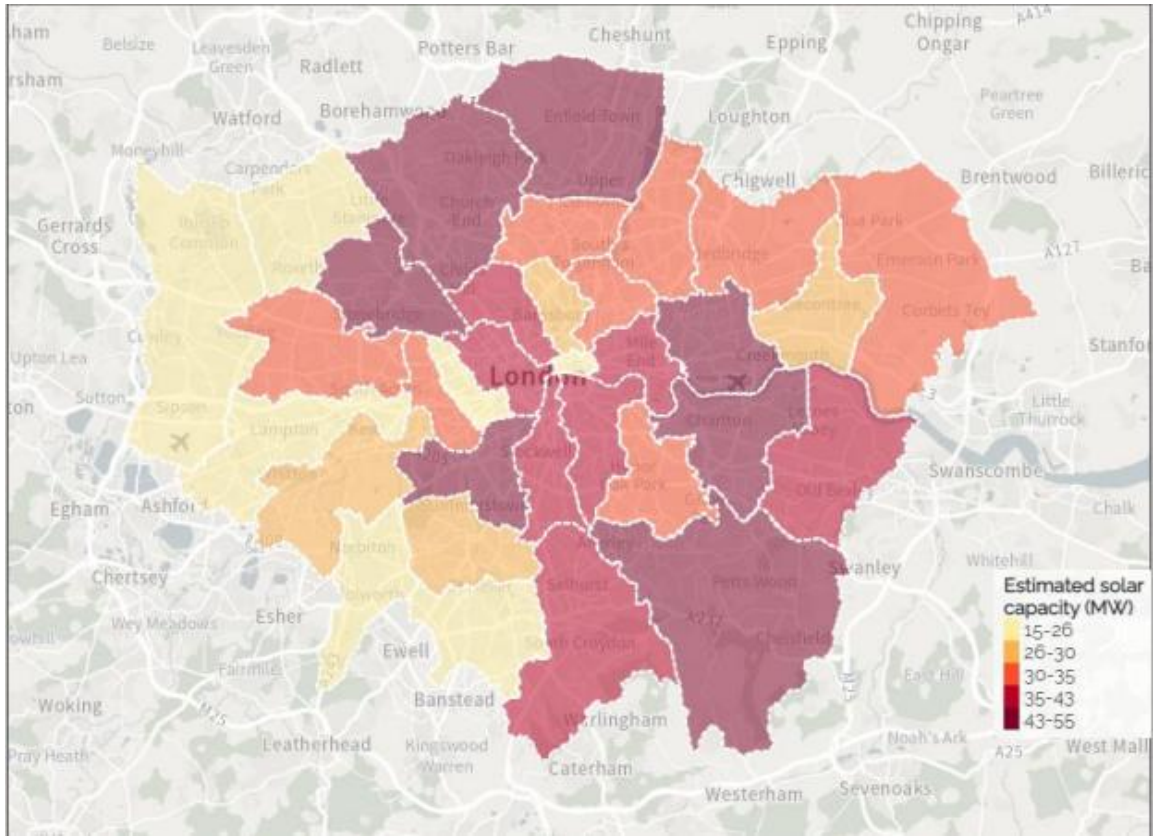
Community Energy London has also produced a ‘potential map’ which offers predictions of the solar PV potential across Greater London, which can be filtered to the borough level.

The tool is available on CEL’s website here.

Potential role of the borough

As a climate officer, you could facilitate these opportunities. This includes enabling engagement between community energy groups and site owners and supporting feasibility studies.

For more information, see the toolkit sections on Establishing and Supporting Community Energy and Solar PV on Council Roofs



Source: Community Energy London’s Vision for London report

5.

Common Concerns

This section contains information on:

- Common concerns

Common concerns

You may encounter concerns or misconceptions about community energy. This is not uncommon, especially as you will need to engage colleagues from across the council, who may not be familiar with community energy.

Further information about common concerns and risks that officers and councillors might raise, and how to address them, is included in the Embedding community energy section.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