



Minutes of the Annual General Meeting of Brixton Energy Solar 2

Held between 7pm-8pm on Monday 9th July 2018 at Impact Hub Brixton, Pop Brixton, 49 Station Road, Brixton, SW9 8PQ

Directors

Agamemnon Otero (AO)
Becky Payne (BP) (*Minutes*)

Secretary

Andre Pinho (*Chair*)

BES2 Shareholders

Jean Kerrigan (JK)
Rosemary Glanville (RG)

Observers

Afsheen Rashid (AR)
Jesse Scharf (JS)

Apologies

Taylor Roark (TR), BES2 Director
Will Walker (WW)

1. Welcome and Introductions

AP welcomed everyone to the sixth AGM of Brixton Energy Solar 2.
Everyone introduced themselves.

2. Minutes of the previous BES2 AGM held on 17th July 2017

Minutes for previous AGM held on 17th July 2017 were approved by all those who had been present at that meeting.

It was confirmed that the 2016 payment had been paid.

RG and JK raised the point that the Annual Report, Accounts for this AGM and the draft Minutes of the previous AGM were not sent around in advance. This meant that there was no time for shareholders to read them prior to the meeting and therefore fully participate in the meeting.

The Directors apologised and agreed that they recognised that this was an issue. It was also noted that the Directors are involved on a voluntary basis and although there is a small fee that goes to Repowering for administration and maintenance this does not cover the full costs associated with the works. Repowering's latest project, Vauxhall Energy, has an allocated budget for administration.

Action:

- *The papers for future AGMs will be sent out at least a week in advance.*

3. Directors' Report

AP introduced the Directors' report. (*Attached as Appendix 1*)

He reported that there had been a slight reduction from last year in the amount of energy generated and thus income compared to 2016.

Two reasons for this:

- There had been a slight fault with one of the panels which has now been removed. It has not been replaced which has had some impact, but not as much if it had been left in place.
- general panel degradation

The good news was that despite this, overall, the BES2 panels had still performed 20% better than our projections for the year.

AR then presented the *Engaging with the local community* part of the report.

She explained that many of the activities and projects described have been funded by Repowering, which being the bigger umbrella organisation, has been able to access funding from other national and Regional funding sources. However, they have only been made possible by being able to build on the local connections and relationships built up through the BES1, 2 and 3 projects.

AO explained that although there wasn't a specific trial project taking place on Style Gardens, the residents of the blocks would in due course would benefit from the learning that would come from the CommUNITY trial taking place on Elmore House (BES1) and also the Brixton Energy Local project taking place on Roupell Park Estate (BES3).

The overall objective was to maximise the benefits for all the residents of having solar panels on their roofs.

It was also noted that the small scale Anaerobic Digestion project at Loughborough Junction Works is going to be situated at Loughborough Farm which is adjacent to the Style Gardens blocks.

BP thanked AP and AR for preparing and presenting the 2017 Annual Report.

Actions:

- *The Director's report was approved by those present. Proposed by JK and seconded by RG.*

4. Financial Accounts

AR presented the accounts for BES2 for the year ending 31 December 2017 which are attached as a separate document. She explained that the accounts had been prepared by Alison Richardson, Mulberry Accounting Services, from information provided by the BES2 Directors and in accordance with the Financial Reporting Standard for Smaller Entities (effective 2008) and that the aim of the Directors had been to apply the highest standard of good practice in compiling the accounts and to provide shareholders with as much information as possible and as clearly as possible

She clarified the following points:

- That income is slightly down from last year, due to the reduction in energy generated as explained in the Directors' Report.

- BES2 continues to build up healthy cumulative reserves which this year reached £2,065.00
- 13% of investors have opted to waive their interest payments in favour of CEEF.
- The proposal is that of the remaining surplus 20% is put in the CEEF and 80% given to shareholders.
- It was noted that we are paying back some shareholders of BES2 their investment early after receiving special requests which have been agreed by directors. We do now have a process for this. We have sufficient funds to do this for a few individuals and it means that the interest payments they would have received over future years are saved for the project.

JK noted that the sum against *debtors* was quite high.

AP explained that this was because we haven't always managed to take readings before the end of the financial year so that represents money that we are owed by Good Energy: the income based on the final 2017 readings was received in February 2018.

5. Approval of the Directors' Report and Accounts for the year ending 31st December 2017

Proposed by JK and seconded by AO, the meeting approved unanimously the BES2 Accounts and the Directors' Report for the year ending 31st December 2017.

Actions:

The Directors to undertake the following:

- *pay 3% interest to BES2 shareholders.*
- *put £764.00 into CEEF which includes £315.00 from the 13% of shareholders who have waived their interest payments in favour of CEEF.*
- *Directors agreed to come back before the next AGM with a formal proposal on where BES2 might invest some funds to get a higher return.*

6. Appointment of Auditors

AR explained that those present should decide whether an audit of the accounts and balance sheet of the Co-operative is required in accordance with Section 84 of the Co-operative and Community Benefit Act 2014 (the Act). This could cost £1,500 or more.

AO proposed that this was not necessary. This was seconded by AP. No objections were received.

RG asked if it might be possible to get a volunteer to undertake an audit as a pro-bono contribution. AR mentioned in order for the audit to be truly independent it might not be possible to get a volunteer to undertake an audit as there will be a conflict of interest.

Actions:

- *It was therefore agreed that there was no need to audit the BES2 accounts*
- *The Directors agreed to investigate whether it is possible to get a volunteer to undertake an audit.*

7. Election of Directors

BP explained that every year a third of the directors have to stand down in rotation and another director is elected.

BP agreed to stand down.

Nominations were invited. None were received from the floor and so it was suggested that AO be asked to stand again.

BP was proposed by AP and seconded by JK.

There were no objections. BP was duly re-elected as a Director of BES2.

8. CEEF proposals

The report on the CEEF included in the Annual Report was noted.

The Directors said that they were continuing to explore new ideas and would welcome any suggestions for activities.

A question was asked about the survey carried out as part of the Summer Community Event on the Loughborough Estate and in particular about the green gym proposal. AR said that that option would cost a lot of money and that LEMB had not yet obtained any match-funding.

It was agreed that we needed to be careful when deciding where to target our CEEF and that sometimes the 'loudest' requests didn't always come from the most vulnerable people. For instance, there is a lot of funding available for green gyms and so this shouldn't be a priority for our funds.

As part of a wider discussion, it was agreed that we did need to think how we were going to spend the CEEF monies over the remaining 20 years of the project and develop a long term plan.

In this context, it was worth remembering that the original targets of CEEF as set out in the prospectus were:

- energy efficiency
- fuel poverty
- training of young people
- focused on the estates

However, it was also agreed that over the last few years, it had become clear that the needs of the residents were not always around energy efficiency and fuel poverty eg: BES3 has wanted to use some of the money for trips for young people on the estate. BES2 had wanted some money to go to the Marcus Lipton Youth Centre adjacent to Style Gardens.

A question was asked as to why funds could not be used to improve the buildings and reduce residents' service charges and utility bills. AR reminded everyone that we have been giving energy efficiency advice, undertaking audits and implementing efficiency measures including draught excluders and handing out energy light bulbs. Much of this had been funded from funding obtained by Repowering from national and regional grant programmes.

AO explained that as part of continuing training schemes for young people which Repowering runs as part of its solar community projects, changes have been made to some of the content to give the trainees more general skills such as project budgeting, marketing etc. to build their confidence and increase their future employment opportunities ie: not just in the renewable energy sector.

Actions:

- *The Directors will continue to work with LEMB to identify opportunities and projects.*
- *A workshop will be arranged to discuss a long term plan for CEEF spending.*
- *It was agreed that any long term plan for the CEEF should remain true to the original remit as set out in the project prospectus, but should balance this with meeting the needs of residents.*

9. Date of the next AGM meeting

It was agreed that the next AGM would take place in June 2018.

The meeting closed at 8pm.

BP

16th July 2018



Annual Report 2017

In 2017 Brixton Energy Solar 2 successfully delivered its objectives of generating local renewable energy, engaging with the local community and inspiring others.

Generating renewable energy

For the period, January to December 2017, the five BES2 solar arrays combined generated a total of 33,949 kWh of electricity, enough to power 11 average UK homes for 1 year. This represents a system efficiency of 754 kWh per installed kW peak per year compared to 780 in 2016.

Since commissioning BES2 renewable energy output avoided 95.2 tonnes of CO₂ emissions.

Engaging with the local community

It has been a busy year delivering a range of activities to benefit residents of the Loughborough Estate. We continue to work closely with our partners Repowering who provide management support and help secure additional funding to enhance the community fund. Our activities focus on our priorities of providing training and education opportunities for young people and address fuel poverty in Brixton and the Loughborough Estate as outlined below

Brixton Energy Training Programme

Repowering London delivered a training programme for 20 young people living in Brixton. The programme was funded by Power to Change and took place during the spring of 2017. The young people gain an insight and experience into the world of low carbon and green economy through solar panel making, visits to renewable technology sites, discussions with industry figures, community engagement and surveying, social media and brand building, co-operative business models and marketing.

The Repowering training programme is also AQA accredited giving the trainees an opportunity to have their achievements formally recognised with a certificate issued by AQA. More than half of the interns earned 4 or more certificates.

Feedback from the young people was very positive. Survey results showed a significant increase in confidence in all areas, especially 'knowledge of renewable energy' and 'finding work in the environmental sector'. When asked about their future ambitions this is what the young people had to say –

'deterred from working with fossil fuels', Ciaran Coyne, 17

'There's more to life than my estate, I can be anything I want to be', Melek Gentles, 19

'Yes, I want to work in renewable energy', Jake Howlett, 17

Following the success of the first training programme Repowering has secured additional funding from Bank of America to deliver a second training programme in 2018. Do visit our blog page <https://brixtonenergy.co.uk/blog/> to read about past and current trainees' experiences.

Summer community Event on the Loughborough Estate

We worked with the Loughborough Estate Management Board (LEMB) to organise a fun event for estate residents on Saturday 19th of August 2017. The main purpose of the event was to engage with Loughborough residents to hear their thoughts and ideas for the Brixton Energy Community Fund and encourage them to learn about renewable energy and energy efficiency.

The event had a good mix of age groups and all were encouraged to share their ideas on a display board. They were then invited to vote on the idea / project that they wanted to see happen. A total of 70 votes were received on the day. Activities for the young and elderly were top priorities for residents. Training and creative ideas for young people received the highest number of votes. There was also good support for an outdoor gym a project idea that LEMB are keen to see happen but do not have sufficient funds for. While this is a small sample size of the number of residents living on the estate it aligns closely with the informal discussions and feedback we have received at other engagement events.

Energy surveys

We continue to listen to the needs, challenges and concerns of residents through regular door knocking and events on the Loughborough estate. This is to inform and shape our activities so it is tailored for the benefit of the community. We completed 36 surveys that highlighted a third of residents surveyed suggested that being able to afford gas and electricity is a concern for them.

Home Energy Audits

We offered free home energy audits to help residents living on the estate to lower their energy bills and improve the warmth and comfort of their homes during the winter. A total of 11 residents living on the Loughborough Estate benefited from in-depth energy audits of their homes and advice on switching energy providers.

Energy efficiency drop-in sessions

A series of energy advice drop-in sessions were delivered at Olive Morris House, the Loughborough Estate Community Centre, the local café on the estate and the Brixton Pound café. Loughborough residents were encouraged to attend the drop-in sessions as we distributed food vouchers for the café. We found that the stand-alone drop-ins were not successful.

Energy Efficiency Workshops with Brixton Energy Trainees

In November, we held two energy efficiency workshops with some of our trainees. These focussed on providing the young people with a broad understanding of fuel poverty as a concept and the ways in which it can be tackled. We covered topics such as the things to consider when switching energy supplier, grants/benefits available for reducing energy costs, and improving the energy efficiency of existing housing stock.

Inspiring Others

Brixton Energy Solar 2 and our sister co-operatives Solar 1 and Solar 3 are grateful to Power to Change who have funded the development of new business models for community energy in Brixton over the last couple of years. The development of the projects is being led by Repowering London with our support and we will be taking the following innovative projects to the next stage of development

- **Small scale Anaerobic Digestion at Loughborough Junction Works** that will be the UK's first community-owned Anaerobic Digestion (AD) project in an urban area. The system will convert local food waste to energy and organic fertilizer. We will establish a 40m³ digester, with a 9kW CHP engine which would produce in region of 100MWh heat and 60MWh electricity per year, which is equivalent to the annual demand of 20 typical households.
- **Local electricity supply model 'CommUNITY'** is being delivered in partnership with EDF, Electron and UCL. This project has been successfully approved for Ofgem's regulatory sandbox (<https://www.ofgem.gov.uk/about-us/how-we-engage/innovation-link>). There are only two other projects that have been approved by Ofgem in the UK. CommUNITY includes trialling a peer to peer local energy trading platform that will allow residents of Elmore House to use the solar electricity generated from the roof and trade that energy with their neighbours, increasing self-consumption of low carbon energy and reducing overall energy costs.
- **Brixton Energy Local** is also a local electricity supply model that has been developed by Energy Local. This model is being delivered in partnership with Repowering, Roupell Park Resident Management Organisation (RMO), and the charity 10:10 and Energy Local to develop a way to enable residents living at the site of BES3, to benefit from the cheaper energy generated by the solar panels installed on the buildings. The model will see the formation of an 'Energy Club' made up of up to 30 residents living on the Roupell Park estate. By then shifting more of their electricity usage to the times of day when the solar panels are generating energy, they will be able to reduce their electricity bills. At the same time, this will ensure that the BES3 community fund will receive more income for energy generated.
- **Lambeth Community Solar (rooftop solar)** – despite the significant cuts in the Feed-in-tariff Repowering continues to develop rooftop solar projects in Brixton. Potential sites include Loughborough Junction Works and Brixton Windmill. We are also exploring the expansion of solar on Roupell Park Estate.

Financial accounts and shareholder payments

The financial accounts which accompany this report show that:

The co-operative received a total income of £6,304 (2016: £6,388) from the electricity generated by the array from the feed-in tariff and deemed export tariff.

After meeting direct operating and administrative costs, a surplus of £2,873 was generated for the year. The Directors propose that £630 of this surplus is retained as profit for the year so that the co-operative can start to build up a small cushion of reserves for the future.

It is proposed that the remaining £2,243 is split 80% to pay shareholders interest and 20% to the Community Energy Efficiency Fund (CEEF). This equates to an interest rate on share capital of 3% for the year (£1,794)

The CEEF will get a contribution of £449 from the Co-operative and a further £315 from the 13% of shareholders who have waived their interest payments in favour of CEEF. We have not spent any funds towards community activities due to the match funding provided by Power to Change. At the end of the year, including these amounts, the CEEF stands at £8,977.

We identified a fault with one of the panels on block 1 of Styles Gardens. A diode had failed on the panel, causing it to reduce the output from the inverter by 1/3. We commissioned UK Solar Generation to remove the damaged panel and now output is back to normal (although still slightly reduced due to one less panel than before). The cost of £240 was set against the provision for inverters.

During the year, we made a capital repayment of £500 and the share capital as at 31st Dec 2017 is £59,800.

Any questions?

If you have any questions about this report and the accompanying accounts, please email info@brixtonenergy.co.uk.

Agamemnon Otero
Rebecca Payne
Taylor Roark

Directors, Brixton Energy Solar 2