



Minutes of the Annual General Meeting of Brixton Energy Solar 3

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

Attendees

BES3 Directors

Andre Pinho (AP) *Chair*
Agamemnon Otero (AO)
Becky Payne

Secretary

Becky Payne (BP) *Minutes*

BES3 Shareholders

Afsheen Rashid (AR)
Alison Farrow (AF)
Clara Kamau (CK)

Observers

Kit Farrow (KF)

Apologies

Will Walker (WW)
Taylor Roark (TR)

1. Welcome and Introductions

AP welcomed everyone to the fifth AGM of Brixton Energy Solar 3. Everyone introduced themselves.

2. Minutes of the previous BES3 AGM held on 17th June 2017

Minutes for previous AGM held on 17th June 2017 were approved by all those who had been present at that meeting. Proposed by AO and seconded by AF. It was confirmed that the 2016 payment had been paid.

The Directors apologised for not circulating the Annual Report, Accounts for this AGM and the draft Minutes of the previous AGM in advance. The Directors 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 explained that there had been a lot of technical issues on this project.

However, a more effective method of billing the Estate Management for use of the generated electricity by the Housing Office and the Community Centre has now been agreed.

The generation is currently running at 80% of what was projected.

The lower output is due to technical faults and issues with data collection during 2017. Few issues to note are

- There was a fault on the landlord supply at Fairview which stopped generation from September 2017 to March 2018. Although the issue was raised in September 17 it took the estate management 6 months to resolve.
- Output was intermittent at Hyperion due to issues with the solar panel cable connectors.
- Due to meter access issues with Warnham data was not collected during 2017.

The first two items had effected output.

The above issues have been resolved and new remotely readable meters are now fully up and running to improve monitoring and data collection and alert us of faults as soon as they occur.

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.

Specific to BES3 is the Brixton Local Energy trial which is being delivered in partnership with Repowering, Roupell Park Estate 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. (*See more detail in the Annual Report appendix 1*)

KF asked if it was possible to make the model work for residents using pre-paid meters. AR agreed that this was important as this is the case for over 60% of residents on the estate and as of yet this project cannot cater for this group. However, the project is looking at ideas and there is hope that new technology will be developed such as a new model of smart meters which we can then trial in the future.

The overall objective is that the learning from the three trials that Repowering is currently running is to maximise the benefits for all the residents of having solar panels on their roofs.

AO reported that a feasibility study is being undertaken to explore the possibility of installing solar panels on more of the roofs at Roupell Park Estate. More roofs have now been repaired, but this will have to be balanced against the decrease in the FIT.

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 AF and seconded by AP.*

- *The remote monitoring system will be linked to the website so that shareholders will be able to see generation of electricity in real time. Directors agreed that they needed to tell shareholders about this option.*

4. Financial Accounts

AR presented the accounts for BES3 for the year ending 31 December 2017 which are attached as a separate Excel document. She explained that the accounts had been prepared by Alison Richardson, Mulberry Accounting Services, from information provided by the BES3 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.
- BES3 is still managing to build up cumulative reserves which this year reached £1,217.00 but this is down from 2016. One reason was that £1,688.00 had to be spent on repairs.
- 0.46% 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 BES3 their investment early after receiving special requests which have been agreed by directors. One BES3 investor has had £3k returned this year. We now have an agreed process on how to do 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.

KF asked why the sum recorded 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 new installed remote monitoring system which removes the need for taking manual meter readings means that our future readings will be submitted on time. It also means we can see immediately when an inverter or a panel has stopped working.

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

Proposed by CK and seconded by AF, the meeting approved unanimously the BES3 Accounts and the Directors' Report for the year ending 31st December 2017.

Actions:

The Directors to undertake the following:

- *pay 3% interest to BES3 shareholders.*
- *put £481.00 into CEEF which includes £17.00 from the 2 shareholders who have waived their interest payments in favour of CEEF.*

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.

AR proposed that this was not necessary. This was seconded by BP. No objections were received.

It was noted that it might be possible to get a volunteer to undertake an audit as a pro-bono contribution though there maybe a conflict of interest in this approach as the audit would need to be truly independent.

Actions:

- *It was therefore agreed that there was no need to audit the BES3 accounts*
- *The Directors agreed to investigate whether it is possible to get a volunteer to undertake an audit.*

7. Election of Directors

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

AP agreed to stand down.

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

AP was proposed by AO and seconded by AR.

There were no objections. AP was duly re-elected as a Director of BES3.

Action: *AP was duly re-elected as a Director of BES3.*

8. Community Energy Efficiency Fund (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.

AO reported that we are building up a good relationship with the Estate Management Team. They are keen for us to do more and also keen for us to support some of the things that they are doing/planning to do for the community. We have agreed to give them a £1k for a project supporting young people on the estate.

As part of a wider discussion, 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.

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: BES 3 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 which is adjacent to Style Gardens.

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.

CK asked if Directors could consider widening out the age those benefitting from the training schemes.

AO responded by saying that the Directors are always seeking new way of reaching all age groups. There is an issue about having a range of ages on the same training programme as different ages do have differing training needs and require different levels of approach.

One important way that older people have become involved is by becoming Directors of the Co-operatives where they have learnt new skills and gained confidence. Repowering would like to be able to obtain funding to support this.

He added that young people don't always appreciate the benefits of being paid while they are being trained on our training programmes.

An additional benefit is that Repowering has been able to provide longer term support in a couple of instances when former trainees have come back to Repowering when they have had a problem.

CK asked whether it would be possible to work out how much other support and funds, Repowering/BES3 had leveraged for the Estate eg: what total investments had been made, what total impact has there been. This would include training programmes, energy advice, installation of energy saving measures etc.

Actions:

- *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.*
- *AO to calculate the total impact that Repowering/BES3 has had on the Estate.*

9. AOB

AF said how much she appreciated the amount of hard work that the directors' put in to keeping BES3 operating so efficiently and effectively.

10. Date of the next AGM meeting

It was agreed that the next BES3 AGM should take place in June 2018.

The meeting closed at 9pm.

BP

16th July 2018



Annual Report 2017

In 2017 Brixton Energy Solar 3 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 four BES3 solar arrays combined generated a total of 24,350 kWh of electricity, enough to power 7.9 average UK homes for 1 year. This represents a system efficiency of 471 kWh per installed kW peak per year compared to 737 in 2016.

The lower output is due to technical faults and issues with data collection during 2017. Few issues to note are

- There was a fault on the landlord supply at Fairview which stopped generation from September 2017 to March 2018. Although the issue was raised in September 17 it took the estate management 6 months to resolve.
- Output was intermittent at Hyperion due to issues with the solar panel cable connectors.
- Due to meter access issues with Warnham data was not collected during 2017.

The above issues have been resolved and new remotely readable meters are now fully up and running to improve monitoring and data collection and alert us of faults as soon as they occur.

Since commissioning BES3 renewable energy output avoided 13.2 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 Roupell Park Estate. We have also developed a strong partnership with Roupell Park Estate Resident Management Organisation (RMO). 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 Roupell Park 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.

Energy surveys

We continue to listen to the needs, challenges and concerns of residents through regular door knocking and events on the Roupell Park estate. This is to inform and shape our activities so it is tailored for the benefit of the community. We completed 49 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 7 residents living on the Roupell Park Estate benefited from in-depth energy audits of their homes and advice on switching energy providers.

Energy efficiency drop-in sessions

We ran some energy efficiency drop-ins at Roupell Park's over 55s coffee morning meet-up on 2 occasions. The first gave residents attending the drop-in to learn about the things they could do at home to save energy and lower their energy bills. The second saw the team play an energy efficiency-themed game of Bingo with residents.

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 3 and our sister co-operatives Solar 1 and Solar 2 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

- **Brixton Energy Local** is a local electricity supply model that has been developed by Energy Local. This model is being delivered in partnership with Repowering, Roupell Park Estate 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. In December, Repowering held a Christmas-themed event for local residents to attend and learn about the Energy Local project.
- **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 another model that 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.
- **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 an income of £4,726 (2016: £6,241) from the electricity generated by the array from the feed-in tariff and deemed export tariff.
- Direct sale of electricity to the Roupell Park Estate RMC for powering the community office and Hyperion House community centre was £241 (2016: £853). This is significantly lower than the previous year because of technical faults with the meter configuration that makes it difficult to calculate onsite consumption.
- The total income for the year was £4,967 as compared to £7,019 in 2016. The technical issues highlighted above is compounded with manual data collection that does not alert us of system failures. This results in prolonged faults and significant loss of income.

To address the above issues, we made investments of £1,688 to upgrade the meters so that they are remotely readable. We are also in the process of installing an export meter at Fairview to maximise income from the onsite demand and sale of electricity through a PPA. Analysis of the investments show that with the increased revenues BES3 will be able to recover costs in four years.

Due to the reduced revenues and investments made during the year BES3 is reporting a small loss of £456. However, this does not mean that BES3 is at risk as we have healthy provisions in the account. We have met the costs for the investments through the provisions that have been set aside every year for such circumstances. Directors are confident that we will see a positive balance in following years.

After meeting operating and administration costs it is proposed that the surplus income of £2,320 is split as 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 (£1,856)

The CEEF will get a contribution of £464 from the Co-operative and a further £17 from 2 shareholders who have waived their interest payments in favour of CEEF. At the end of the year, including these amounts, the CEEF stands at £2,115.

Share capital of £3,000 was repaid in 2017 and the total share capital as at 31st December 2017 is £61,850.

Any questions?

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

Agamemnon Otero

Andre Pinho

Becky Payne

Directors, Brixton Energy Solar 3