

BY ETHEX

A Community Energy Fundraising Toolkit for Councils

Ethex helps community energy organisations raise investment from local and national investors through community shares and bonds. We provide the investment platform and ongoing investor management services that help turn council-backed energy projects into community-owned assets.

c.£100m* raised for community energy so far

*As of October 2026



Where community investment fits in a council energy project

	1 Feasibility	2 Development	3 Construction	4 Operation	5 Aggregation & scale
THE COUNCIL CAN	Write community ownership into the local energy plan and project brief. Identify council roofs and land that could host projects.	Fund development with grants or loans. Negotiate community ownership arrangements, subject to governance, procurement and legal requirements.	Once planning is granted, offer a bridge loan or a long-term power purchase agreement (PPA), which may improve bankability depending on creditworthiness, tariff, duration and contract terms.	Act as long-term landlord or energy buyer. Support refinancing that moves more of the project into community hands.	Coordinate across a region or combined authority so several projects can raise together.
ETHEX PROVIDES	An early view on whether a project could attract community investment, and roughly how much.	Share our experience of how best to combine community shares and bonds with other sources of funding, such as grants or loans.	A public community share or bond offer to fund construction or refinance earlier borrowing. Eligible bonds may also be offered through an Innovative Finance ISA (IFISA).	Refinancing offers to replace higher-cost debt. Registry: investor records, interest payments, communications.	Aggregated offers that bundle several projects into one larger, regionally led raise.

JARGON BUSTER

Community shares withdrawable rather than transferable, giving each member one vote

Bonds a fixed-term loan to the society; bondholders are lenders, not members

IFISA Innovative Finance ISA, tax-free interest

Bridge finance short-term borrowing to build

Funds raised figure: Ethex, 2026, ethex.org.uk

EXAMPLE: PLYMOUTH ENERGY COMMUNITY

Councils can also provide patient loan funding to help projects reach construction. In Plymouth, the council provided CPI-linked loans with no repayments for five years, helping projects get built before investor returns were due. Community share offers on Ethex gave local people the chance to invest while the loans bought time to raise the full capital. One council's approach, not a standard; terms will vary.



Give residents a stake, not just a say



Approaching 50,000 people have registered with Ethex to put their money into what matters. In 2026, Ethex and Triodos Bank UK announced a partnership to bring Triodos crowdfunding opportunities onto the Ethex platform.

"The Energise Barnsley Solar Bond raises show what's possible when public backing helps unlock community-led climate action."

Paul Castle, Service Director, Barnsley Council

Through community shares, residents can become members and co-owners, with a democratic voice in how the organisation is run. Through bonds, they can lend capital to support community energy projects. Both routes enable people to invest in local clean energy, while community shares also provide a direct role in ownership and governance.

a It builds buy-in

People with a stake in a project tend to champion it. A share or bond offer turns residents from consultees into backers, which can potentially strengthen support at planning and build local pride in the asset.

b It makes council and community partners

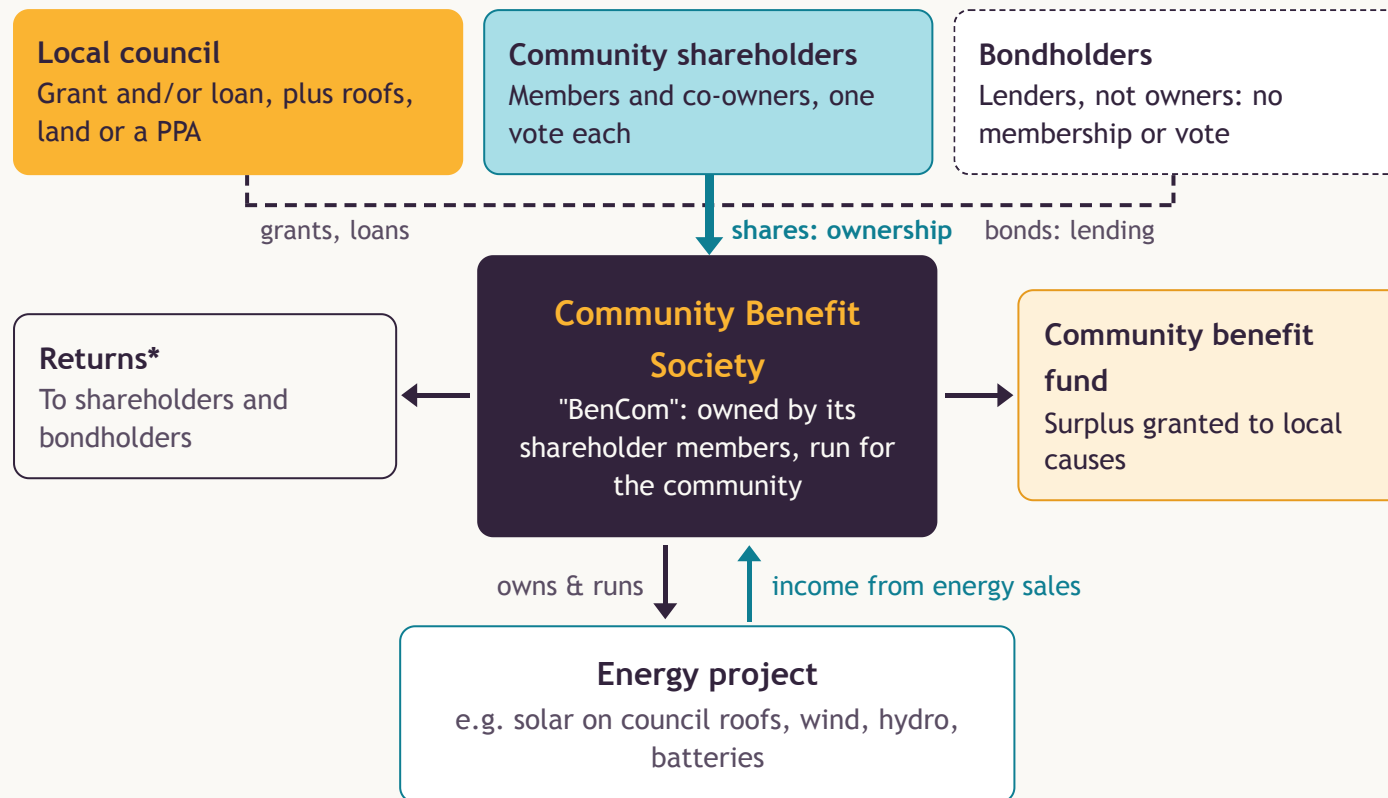
The council brings roofs, land, a loan or a long-term power purchase agreement. Residents bring capital. Both share one venture and one set of outcomes, a stronger relationship than one-off consultation.

c It brings financial discipline

Unlike a grant, investment is expected to be repaid, though returns and capital are not guaranteed. That commercial element encourages a well-run organisation: a sound business plan, regular reporting to investors, and responsible stewardship of money and stakeholders.

Blended, not either/or. Grants and council funding de-risk the early stages; community investment then brings ownership, accountability and a route to repay or refinance.

An example council-backed community energy society



— Ownership and membership - - - Lending and other finance (creditors)

* Returns are not guaranteed. Community shares: interest is discretionary, and withdrawals are subject to the society's rules and financial position. Bonds: contractual interest and capital repayment, subject to default risk.

Illustrative only. Governance, funding and ownership arrangements vary between societies and projects.

How the money flows

The council and local people invest in the society. It builds, owns and runs the project. Energy income pays bond interest and repayments, and may fund interest on shares and member withdrawals. Surplus goes back into the community. Investor returns are not guaranteed.

What is a community benefit fund?

Money set aside from project profits and granted to local causes, such as fuel poverty support, energy advice, schools and community groups. Many community energy groups run one. Energise Barnsley's fund started at £20,000 in its first year.

Where Ethex fits

Ethex runs the share or bond offer, then manages the register, payments and investor communications for the life of the project.



Plymouth Energy Community: a council-enabled, city-wide solar portfolio

Plymouth Energy Community (PEC) and its delivery vehicle, PEC Renewables, were created in 2013 with the support of Plymouth City Council to tackle fuel poverty, reduce carbon emissions and keep energy spending circulating locally. Tens of thousands of Plymouth households were in fuel poverty, around one in four in some neighbourhoods. In one raise, the solar scheme was required to make fuel poverty its purpose, not a by-product.

Through a pioneering blend of council-backed loans and a community share offer run on the positive impact investing platform Ethex, PEC Renewables built one of the UK's first city-scale portfolios of community-owned solar on schools and council buildings. It turned sunlight into a long-term funding stream for social good, powered by individual investors.

£2.5m

raised in community shares, over three offers on Ethex

600+

investors, each a member with one vote

5.6 MW+

of community-owned solar from the three raises on Ethex

30+

community sites, plus a 4.1 MW solar farm

How it worked

1 A civic anchor

The council helped set up PEC, an independent not-for-profit co-operative, to reduce energy bills and fuel poverty, improve energy efficiency and generate green energy locally.

3 Council catalytic capital

Patient, CPI-linked council loans with no repayments for five years, so projects were built before investor returns were due.

2 A delivery vehicle

PEC created PEC Renewables Ltd, a wholly owned special-purpose society, to own and operate solar on public and community buildings.

4 People-powered investment

PEC Renewables raised up to £2.5m through community share offers on Ethex. Surplus funds PEC's fuel poverty work.

The legacy of raising on Ethex

- Proved councils can use community finance at scale
- Showed solar can fund social programmes
- Created one of the UK's first city-wide community energy portfolios
- Became a blueprint for modern energy-equity partnerships

How the money flowed in Plymouth

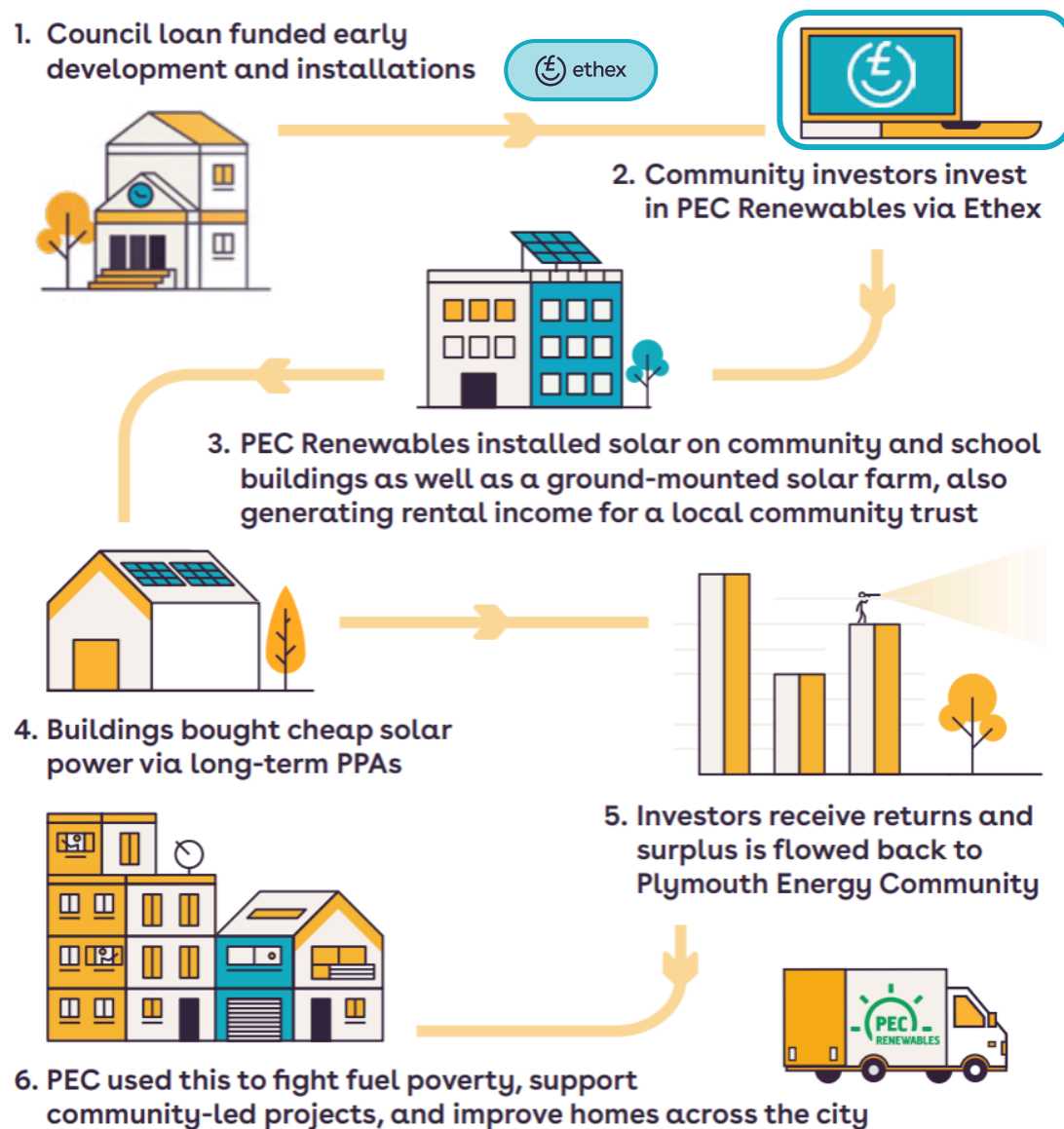


Diagram simplified from the Ethex case study. Not all financing entities or transactions are shown.

What it solved for the council

Limited budget for solar	Solar installed with community investment, easing pressure on council finances
Political and delivery risk	An independent, community-owned model with strong local accountability
Public buy-in	Residents became investors and owners
Social value	Profits reinvested in fuel poverty work and community benefit

What Ethex provided

The community share offer, investor onboarding and payments, and governance, registrar and reporting systems. The financial infrastructure between council capital, community investors and public buildings.

Energise Barnsley: blended finance for solar on council homes

£4.5m+

blended funding: two Solar Bond offers on Ethex, grant funding and CO2Sense match funding

11,500+ MWh

of clean energy generated to date

24,196 t

of CO2 avoided over the project's lifetime, as reported

150

smart batteries installed, enabling a further £300,000 in savings

£79,000+

in surplus income channelled into local community initiatives

£278,844

in total bill savings for council tenants

How it worked

1 Council partnership

Barnsley Council worked with Energise Barnsley, a local co-operative, to bring solar and smart batteries to more than 1,320 council-owned homes and public buildings.

2 Catalytic funding

CO2Sense provided early-stage funding and £200k of match funding to de-risk the project.

3 Ethex: two Solar Bond offers

Ethex hosted the two Energise Barnsley Solar Bonds, opening the project to people across South Yorkshire and the UK from just £50, with a 4-6% target return over a 5-year term.

4 Local benefit

Surplus is reinvested through Energise Barnsley's Community Energy Fund.

Funding

Investment

Over £4.5 million of blended funding: two bond offers on Ethex, grant funding, and £200,000 of match funding from CO2Sense

Investors

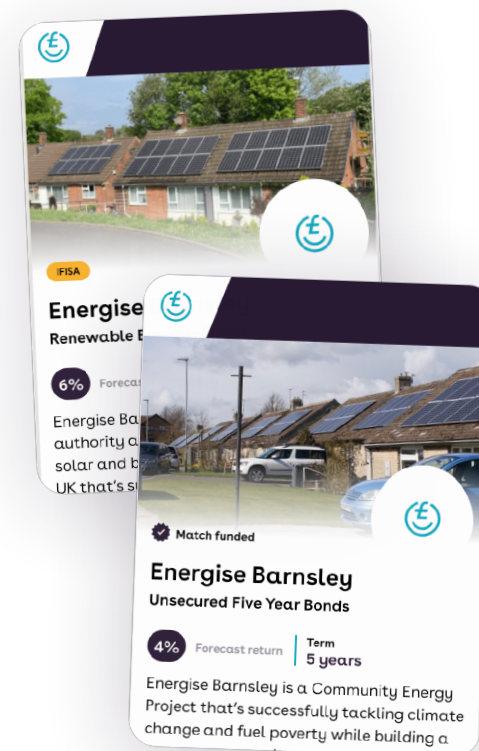
Open to individuals across the UK from just £50

"Barnsley Metropolitan Borough Council is proud to help demonstrate how local authorities can enable community ownership in clean energy, through our partnership with Energise Barnsley."

Paul Castle, Service Director, Barnsley Council

"It's local energy, owned by local people, for local benefit."

Andy Heald, Director, Energise Barnsley



WORK WITH ETHEX

Raise community investment with Ethex

The UK's leading platform for positive investment, with thousands of values-led investors. We've helped organisations raise over £150 million for clean energy, social housing, green transport and more, and we stay with you after the raise.

Flexible finance

Community share and bond offers, including options to refinance earlier project funding.

IFISA wrappers

Tax-free bonds alongside share offers

Blended packages

Community capital with grants, councils, foundations and institutions

Track record

£150m+ raised for 183 community-led projects since 2012

Registry

Investor onboarding, payments, registrar services, reporting and ongoing investor communications.

Whether you're a council, community group, social enterprise or developer, we can help you reach the right investors, explore your financing options and build community ownership into your projects.



TALK TO US

Ben Sharpe

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Next steps for councils

1

Map your sites

List council roofs, land and buildings that could host community energy.

2

Name a lead

Give one officer responsibility for community ownership in energy projects.

3

Set the expectation

Write a community ownership share into energy plans and project briefs.

4

Talk to Ethex early

Explore whether community investment could work for your project, how it might combine with council funding, and the steps needed to get investment-ready.

Don't invest unless you're prepared to lose all the money you invest. Figures: Ethex, 2026, ethex.org.uk.

