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Bristol City Leap Community Energy Fund



Mobilising private capital to empower citizens

Bristol City Council has set an example of how local governments can tap into private finance to empower citizen-led energy projects: as part of the Bristol City Leap (BCL) partnership, the BCL Community Energy Fund, a £1.5 million (EUR 1,72 million) funding initiative, was designed to support community-driven local renewable and low-carbon initiatives through grants and loans.



The initial challenge

Public institutions can play a pivotal role in supporting community energy but often struggle to reconcile long-term social goals with the scale of investment needed for the energy transition. Bristol faced exactly this dilemma. How could the city attract major private investment to decarbonise energy systems without losing the strong local community energy ecosystem it had spent years nurturing?

<p>Bristol UK </p> <p>465,000 inhabitants</p>
<p>Readiness level: </p> <p>Running</p>
<p>Energy sector:</p> <p><input checked="" type="checkbox"/> Electricity <input checked="" type="checkbox"/> Heat</p> <p>Type of plant(s):</p> <p><input checked="" type="checkbox"/> Solar PV <input checked="" type="checkbox"/> Storage</p>
<p>Energy activity:</p> <p><input checked="" type="checkbox"/> Production <input checked="" type="checkbox"/> Energy efficiency <input checked="" type="checkbox"/> Demand-side response <input checked="" type="checkbox"/> Transport</p>
<p>Who was in lead: Bristol City Council – Energy Service Joint venture: Bristol City Leap (Bristol City Council, Ameresco, Vattenfall)</p>
<p>Key partners:</p> <ul style="list-style-type: none"> - The council's internal City Leap Client team -Private sector partners: Ameresco, Vattenfall -Community partners: Bristol Energy Cooperative, Centre for Sustainable Energy, local civic groups

The local solution

The **Bristol Community Energy Fund** was designed to support community-driven local low-carbon projects and to empower neighbourhood-level action. Since 2023 Bristol community groups, charities, faith groups, schools and local voluntary organisations based in the City of Bristol area are eligible to apply for funding.

It offers a range of financial instruments:

- Micro-grants (up to EUR 1140)
- Small grants (EUR 1140–5730) to test an idea
- Development grants (up to EUR 57,300) to develop an idea
- Repayable zero-interest loans for investment-readiness or implementation stages.

The fund was established as part of the Bristol City Leap partnership, a public-private venture between Bristol City Council, Ameresco, and Vattenfall. This unique 50-50 public-private partnership was established in 2022 and is based on a 20-year contract aiming for city-scale decarbonisation while bringing social (and other) benefits. The partner companies Ameresco and Vattenfall make a social value commitment, providing a fixed contribution of £750,000 (EUR 860,000) each for a first period of five years.



Credit: Bristol City Leap

The city council included provisions in the procurement of Bristol City Leap to support community action because it wanted to see the Bristol City Leap partnership not only deliver large scale investment but also support and help to grow the city's vibrant community energy sector.

Role of the municipality and partners



The **Bristol City Council** plays a critical role in the Bristol City Leap and provides strategic oversight of the Bristol Community Energy Fund, ensuring alignment with the city's broader climate and social goals. The relationship with Ameresco and Vattenfall is managed by the council's internal City Leap Client team. The Council is not directly involved in the day-to-day management of the fund, nor does it hold shares or control in the funded community energy projects. Bristol and Bath Regional Capital are involved as loan partners.

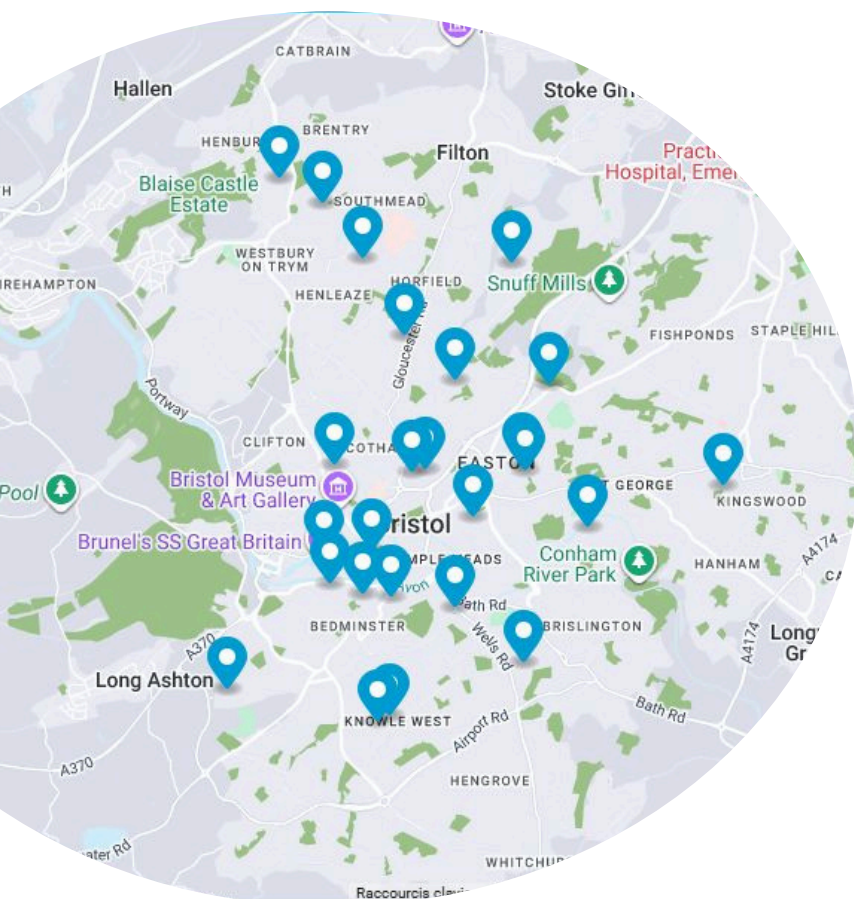
The **companies Ameresco (with Vattenfall for heat)** provide the resources for the fund and sit in the panel for grantee selection. As City Leap partners their main role lies in implementing the city's large-scale energy infrastructure projects through technical delivery, investment planning, financing and operations.

Besides private funding partners, the grant process involves **partner organisations like the Centre for Sustainable Energy (CSE) and Bristol Energy Network (BEN)**. They help groups develop a project or put together an application to this scheme.

Implementation insights: how it was grown in practice

The BCL Community Energy fund builds on the first Bristol Community Energy Fund created in 2015 by Bristol City Council, with funding from central government, following a dialogue between the municipality and local community energy groups. It delivered £450k of funding to community energy projects across the city. Bristol Energy Network (BEN) played a key role by bringing together local organisations and preparing a report showing the potential for new community energy projects. This helped shape the design of a fund which was also meant to provide to the “not so usual suspects in the community energy scene”. Today, part of the BCL fund finances BEN’s work in helping both new and existing community groups develop energy projects, improve their funding applications, and strengthen their skills. This makes it easier for smaller or less experienced groups to apply.

One of the critical factors in the success of the Community Energy Fund is its **clear criteria and a mixed selection panel**. Projects are selected based on the ability to reduce emissions or improve energy efficiency, community benefit and feasibility (viable within a clear timeframe and budget).



Funding criteria

Applications for micro grants can be made at any time and are assessed on a rolling basis. For all other funding, a submission deadline occurs every six months. Applications are assessed by a decision panel one month following the deadline.

Additional criteria can provide a bonus to applicants, for example if their initiative:

- Promotes collaboration between community groups and maximises positive impacts by sharing learning and experience
- Ensures appropriate inclusion and targeting of under-represented groups

Some projects started with a micro grant and later applied for a small grant to fund the next level of their activities. Also, the **Bristol Community Fund team did not shy away from adapting the fund structure as they went along**: they adjusted the loan from 25% to a 100% capital loan to better accommodate community needs.



Key take-aways for municipal staff

- **Long-term sustainability:** This model ensures that private capital is recycled back into the local economy, funding future citizen-led renewable projects.
- **Long-term relationships through longer-term PPP contracts:** facilitates more stable and sustained social value delivery
- **Increased support for decarbonisation efforts:** The community activates citizens and may, as a side effect, increase public acceptance of ongoing infrastructure projects

What changed in practice?

By early 2026, the fund has already helped 43 local projects, with more than £600,000 (EUR 693,000) across four funding rounds. These projects range from solar installations in community halls to energy storage solutions that benefit schools and local businesses. So far, the initiative has triggered:

- **Heat-transition projects:** e.g. groups planning low-carbon heating systems and connections to the Bristol heat network (reflecting demand for district heat integration).
- **Community solar support:** e.g. the Resilience Network who are developing a novel funding approach to community-owned solar that aims to allow the most vulnerable neighbourhoods to have access to additional funding every year.
- **Educational and empowerment projects:** e.g. the One Green Kitchen initiative which is committed to supporting marginalised groups, especially women from underrepresented communities.

Conditions to grow something similar in your place!



When setting up your own fund with private partners:

- **Make sure you tailor funding to community energy needs:** consult the community beforehand so that the funding model aligns with the community realities and financing gaps.
- **Build a shared governance model:** The selection of fund beneficiaries should involve representatives from the public sector, private partners and community organisations alike. Bringing different perspectives around the same table helps ensure the fund responds to local needs, builds trust and avoids decisions being driven by a single interest.
- **Try to design a rolling fund model:** it can help avoid reliance on one-off grants and create an ongoing financing cycle for community energy.



- > [Bristol City Leap Community Energy Fund - web page](#)
- > [Timeline of major City Council decisions, including the City Leap set-up](#)

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