

# CHEESE AGM 2020

**Date:** 6th February 2020, 6:30-8:30pm

**Venue:** TLTM LLP Solicitors, One Redcliffe Street, Bristol, BS1 6TP

**Members Present:** Mike Andrews (MA), Dave Tudgey (DT), Jamie Hanlon (JH), Jeremy Birch (JB), Rosamund Thomas (RT), Brian Harper (BH), Vicky Beckwith for Re:work

**Apologies:** Ambition Lawrence Weston, BCR Energy Group, Bedminster Energy Group, CHAS, SUSWOT

## 1. Introduction by Mike Andrews, Managing Director

MA welcomed attendees to the meeting and thanked TLT LLP for their generous sponsorship in kind for allowing the use of their magnificent building and for providing refreshments.

He then paid tribute to our late former director, Sue Nicholls who had played a formative role in both starting Bishopstone Cotham and Redland Energy Group and then the C.H.E.E.S.E. Project by enabling grant funding from Bristol Green Capital 2015.

## 2. Presence of non-members of the CIC

- Maddy Longhurst
- Rob Benington
- Richard Harman
- Joanne Kelly
- Robert Smart
- Nick Clack
- Janet Andrews
- Cllr. Martin Fodor
- Julius Baghdadi

## 3. Accounts of The C.H.E.E.S.E. Project unincorporated association for the year ended 30th June 2019

Proposed: DT, seconded JB, unanimously approved by members' vote.

## 4. Appointment of accountant

To consider, and if thought fit, to pass the following resolution: "That Bristol Community Accountants CIC," be appointed Accountant to the Company and to hold this office from the vote at the meeting until the conclusion of the next Annual General Meeting.

Proposed: DT, seconded JB, unanimously approved by members' vote.

## 5. Director's terms

Typically for a Community Interest Company directors have finite terms of service, to provide an opportunity to gracefully step back from involvement in the project, and for other directors to come forward. These periods are often staggered between directors to prevent a mass exodus.

**Motion proposed:** that all directors seek reelection after three years, and to instate this from the date of this meeting - directors stepping down in rotation.

Proposed: DT, seconded JB, unanimously approved by members' vote.

## 6. Review of the activities of the company since it commenced trading on 1st July 2019 until January 31st 2020 delivered by MA

The C.H.E.E.S.E. Project CIC began trading on 1 July 2019 after the project operated first as a unit within the Bristol Energy Network since 2014 and then as an unincorporated association since August 2016. The former management committee became directors of the new CIC, with a normal term of office of three years - although this term limit is not in our articles.

The bank balance of the association was transferred to a new account for the CIC. This comprised a £10,000 grant from the Bristol Community Energy Fund, advance payment for training for SELCE and 26 Surveys for CSE's Futureproof project. Having failed to gain 7 grants applied for, we had a very slender balance sheet figure of only £701. We thus had to delay re-employing our survey manager until 23rd September.

With a slightly colder Autumn than 2018, and markedly more awareness of the climate emergency, we had a satisfactory start to the survey season and have now done over 60 surveys. The total cost to us of a survey last winter was £240, despite all management working *pro bono*. To improve our cash flow we discontinued free surveys, unless paid for by third parties, and doubled our prices for a 5 room house to £150. We also decided we would have to operate with volunteers as unpaid assistants. We were unwilling to charge more, for fear that we would lose customers to our deliberately low-cost business model. Futureproof are paying £200 per survey, and we have also carried out surveys of the Quaker meeting houses for a higher figure, and CHAS paid us at the rate of £250 for six surveys. We have a further 10 surveys paid for at £245 each for Hartcliffe, funded by CSE's WHAM project. So far we have earned around £20,000 from sales (including £5k advance payment for Futureproof). Thus we have substantially increased our income per survey, while cutting costs.

We failed in yet more grant bids to:

- Naturesave Trust
- Megawatt Community Energy Fund
- Friends Provident
- Nationwide
- Lottery Climate Action Fund

Tim Temple of the Lottery told us last week that the lottery would not support us, nor BEN's proposed partnership with us in the Warm Up Skill Up retrofitting project, because he did not consider us to be

sufficiently community based. As all our members are community anchor NGOs this is, to put it mildly, unkind. We have an outstanding bid for £11,000 to the local John James Foundation to support free surveys. There are several further small grants to which I will apply to try to get funding to continue through the Summer.

Together with BEN we have been exploring other potential income streams, from tie-ins with Bristol Energy Ltd, Bristol and Bath Regional Capital, Bristol City Funds, BEIS, and others. There is clearly an opportunity for crowd funding.

We have succeeded, thanks to help from Re:work to get a Bristol City Council Impact fund grant of £7,500 for this year and next to work with Hartcliffe & Withywood community Partnership and Re:work for Filwood and Knowle delivering free surveys and training more local Energy Tracers. Also good news is that we gained a grant from Bath and West Community Energy of £4500 to begin surveys in Bath, using Bristol ETs from this month, and then to train local ETs. This has given us the income to extend our survey manager's contract until April. Unfortunately, these only contribute a small amount to other core costs. In Bath we also have considerable interest from the new Council.

We have a dozen local energy groups who are interested in starting C.H.E.E.S.E. segments - and have been advised by the funding agency Voscur, that they should apply separately to funds like Megawatt. We have another dozen volunteer-based groups outside Bristol - also keen to start replicas - but they need £3-4K each to begin. Further, we have five potential large partners already generating funds from Feed-in Tariffs - of these Bath is the first and will be a prototype. And then there are other councils. Brian Harper has generated interest in C.H.E.E.S.E. surveys from the county of Worcestershire and potentially for the entire West Midlands.

In October we carried out our fourth training Phase 1 and 2 events with Brian Harper and Jeremy Birch for 7 local Energy Tracers and Tristan Hunt from SELCE (to whom we also supplied survey equipment). Unfortunately two trainees dropped out later (one for health reasons). This continues a high drop-out rate which will have to be addressed in the future. Only four out of an initial eight trainees received their CPD certificates from 2018/19 training.

We employed an intern, James Gourlay, a third-year Geography undergraduate, paid by the University of Bristol, to analyse the outcomes of our surveys one month and one year on. This showed that 2/3 of our clients take remedial action within a month and 87% within a year - an extremely good figure - with a median spend of about £1,000 for those who take higher-cost (over £250) action. Having finished the tables, unfortunately James became unwell, and he has now vanished. Neither we nor the university are able to communicate with him. Roz and Jamie will complete the report for publication.

Last week we were honoured and very proud to win VOSCUR's Environmental Impact Award at their Volunteer Social Impact Awards. I am pleased to report that we have recruited five new volunteers this season, and already a further two to help with surveys in Bath.

To sum up, it has been a very tricky seven months financially. But we have survived by adapting, and there is widespread and rapidly expanding interest and enthusiasm for what we do in a country increasingly concerned with the climate emergency. I was at a large conference in Bath last week called Building a Better Future. It was put on by Bath University for the big players in engineering and architecture - people like Arup and Norman Foster partnership. We already have business advice from Bath's STBAH programme, and one of the university Research Associates said to me, "Mike, you have

more opportunity to change the energy used in housing than anybody else in the room.” He offered to financially support research into our archive etc. with University projects.

To take advantage of the many opportunities opening before us what the management team urgently need is more help on projects from volunteers. Please consider what you could do.

## 7. Report on equipment by Jeremy Birch, technical director

JB gave an overview of the state of development and plans for production of the new Heatview thermal-imaging camera system, showing the current model in operation.

## 8. Presentation of a summary of our Business Plan for development and expansion, by M A

The C.H.E.E.S.E. Project does 2 things:

- Surveys Houses
- Enables houses to be surveyed

These have different scopes for expansion and potential profitability and imply forming three different divisions of the company:

1. A surveying arm
2. An IP, sales and training arm
3. A manufacturing arm for the camera, blower door frame, etc.

It is more likely that divisions 2 and 3 will be profitable as we expand, and that capital can be raised to fund them as salaried businesses. Divisions 2 and 3 would then contribute towards the running costs of division 1 in order to keep the price of surveys down. This would be in addition to any other funding streams achieved for division 1.

Bristol is to remain the exemplar project where the whole business is based, the process continues to be developed, data is stored, and research developed.

## 9. Need to recruit more directors

MA emphasised that the company needed more directors to be representative of Bristol society and asked all present to make recommendations.

## 10. Role of members and need to recruit more

MA encouraged all Energy Tracers to become members, as there was no cost and they could then shape the company through voting at general meetings. Equally all present should seek to recruit more members. RT was going to investigate benefits for members and further recruitment.

## 11. Any other business

Issues raised:

- There might be an opportunity with the Bath BWCE expansion for a funded student project to document its development. Also for an analysis of the ever-expanding C.H.E.E.S.E. database of surveys of homes. MA had signed up to Bath University’s Digital Business Acceleration Hub and

they could provide grants of £1k and would promote the project to university departments. They might also provide a grant for video making.

- There is a clear need for the C.H.E.E.S.E. survey model to include some path to action / retrofit for householders. This is in active development by the management with Bristol Energy Network and Re:work as the Warm Up Skill Up Project. BH stated that he was concerned that the focus of the project should not be diverted from thermal surveying. There were 10 million homes in need of a survey. MA replied that surveying would remain the primary business of C.H.E.E.S.E.
- We need to encourage C.H.E.E.S.E. segments to apply to Megawatt for funding (there are currently several local groups who may be interested in doing so).
- We need to engage with crowdfunding as a source of money, but we need people to help with this.
- Joanne Kelly: that in our current mode of operating, working as an ET does not yield enough income to sustain an individual. That we should also be recording behaviour change.
- Rob Benington: that sharing of kit is a burdensome complexity of our operations, and one of many factors that makes an ET's work difficult.
- Robert Smart: that he would be interested in work on a more permanent basis if there was opportunity for professional development.
- Richard Harman: the build quality of new builds is absolutely awful, and this is something that we could be engaging more with as a project. MA explained that management were trying to draw this to the attention of the Building Research Establishment BRE Group, and that we were cooperating with a 'Costing the Earth' BBC Radio programme to draw public attention to this. MA was also attempting to get Bristol and Bath councils to address this in their new builds.

The meeting closed at 8.30 pm