

## Report on the Third meeting of the Communiiversity of Wales Low-carbon Initiatives Learning Exchange Network

January 20<sup>th</sup> 2011

Llangattock, Powys (AM) and Wern Watkin Bunkhouse, Crickhowell,  
Powys, NP8 1LZ. (PM)

### Attendees:

Name	Organisation	email	
Dr Steve Harris	Schumacher Institute	steve@coedglas.org.uk	Secretary
Chris Blake	The Green Valleys	chris.blake@thegreenvalleys.org	Co-host & meeting chair
Michael Butterfield	Llangattock Green Valleys	michaelbutterfield@hotmail.com	Co-host & presenter
Nic Shugar	Llangattock Green Valleys/ Haute Route	nshugar@btopenworld.com	
Dan McCallum	Awel Aman Tawe	dmccallum@awelamantawe.co.uk	
Ceri Williams	British Gas	ceri.williams@britishgas.co.uk	
Grenville Ham	The Green Valleys	grenville.ham@thegreenvalleys.org	Co-host
Lucy Darch	British Gas Community Energy	lucy.darch@centrica.co.uk	
Adam Kennerly	HES/ Light Foot Enterprises & Cwm Harry Land Trust	adamk@h-e-s.org	
Phil Jenkins	CwmClydach Communities First	phillipjenkins@btconnect.com	
Keith Jenkins	CwmClydach Communities First	jenkinskeith@btconnect.com	
Andy Rowland	EcoDyfi, BDCR & Ynni'r Fro	andy.rowland@ecodyfi.org.uk	
Simone Lowthe-Thomas	SWEA & Ynni'r Fro	simone@swea.co.uk	
Stephen Currey	British Gas	stephen.currey@britishgas.co.uk	
Lis Burnett	NESTA	lis.burnett@nesta.org.uk	
Andrew Fryer	Llangattock Green Valleys	andrew@wernwatkin.co.uk	
Ken Moon	Wales SRT	Ken.moon@cylch.org.uk	
Usha Ladwa-Thomas	Climate Change & Water Division, Welsh Assembly Government.	Usha.Ladwa-Thomas@Wales.GSI.Gov.UK	

**Apologies:** Cris Tomos, Paul Wimbush, Mary-Ann Brocklesby, Peter Davies, Paul Christie.

## **1. Morning Session, 09.30 - 12.30. Communiversity site visits hosted by Llangattock Green Valleys (LGV) and The Green Valleys (TGV)**

### **1.1 Tour of Llangattock**

The meeting convened at 09.30 at Canal Close, Llangattock. **Michael Butterfield** welcomed the participants, and provided an overview of the agenda for the day. Michael briefly explained the relationship between Llangattock Green Valleys (LGV) – a community-based organisation dedicated to building local resilience, sustainability and livelihoods in Llangattock – and The Green Valleys (TGV), a regional organisation which provides support and an enabling framework for community-based initiatives in the Brecon Beacons National Park area, with a specific focus on renewable energy, particularly micro-hydro. Michael explained that LGV was now partnering with British Gas, through their Green Streets initiative, in order to lessen dependency on public sector grants and to achieve scalability for their locally-developed programmes.

Michael then led the group to the nearby Brecon and Radnor Canal, where he discussed the importance of making local actions generate a revenue stream wherever possible in order to make such action sustainable. He gave the example of litter-picking, which has garnered much local support, removed many tons of rubbish from the locality, and is now carried out in the community on a very regular basis. He said that litter-picking can be run in tandem with other useful services such as bulb planting. LGV are for example hoping to provide commercial clean-up services for a local festival (the Green Man Festival) in the future. Michael noted that LGV also has a thriving community woodland group, whose next project is to build a community wood store, and which may seek to reuse some of the local industrial heritage (e.g. lime kilns on the canal side) in the future.

The group continued its tour around Llangattock, discussing solar PV activities within the community, funding models, community-commercial partnerships and visiting the community's school where they were welcomed by the Head Teacher. LGV has already helped with energy efficiency and solar PV installation at the school, and there are plans to do more. The community also has a thriving allotments group with links to the school. During the walk Michael talked about LGV's successful partnership with British Gas, and LGV's plans to move from a purely volunteer base to having some waged staff, allowing a higher level of activity, particularly with regard to helping other local communities to develop their own resilience and sustainability.

### **1.2 Visit to the Glanus Estate**

The group then travelled to the nearby Glanus Estate<sup>1</sup> where they were greeted by the owner, Harry Legge-Bourke, who discussed the relationship between the 26,000-acre estate and Llangattock Green Valleys, which was described as hopefully leading to a 'non-exclusive strategic partnership'. The collaboration had so far included a collaboration toward the creation of an anaerobic digestion facility on the Estate, where LGV had facilitated the carrying out of a feasibility study.

### **1.3. Visit to the Hendre Glyn Farm Micro-hydro installation**

The group ended the morning's tour with a visit to the farm of Alan Williams, where they inspected his micro-hydro installation and discussed practical and financial aspects of the project.

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<sup>1</sup>See <http://www.glanuskestate.com/>

At the conclusion of the tour participants travelled to Wern Watkin Bunkhouse near Crickhowell for lunch and the afternoon Learning Exchange session.

## **2. Afternoon Session, 14.00 - 17.00. Learning Exchange hosted by Llangattock Green Valleys.**

**Chris Blake** opened the session by welcoming those persons joining the group for the afternoon session (Adam Kennerly, Lucy Darch, Ken Moon & Adam Fryer). He then briefly 'set the scene' for the afternoon's discussions by explaining that the previous session of the Communiversity/Learning Exchange session (September 30<sup>th</sup> 2010, Hermon), had focused on issues of scaling-up community renewable energy in Wales, and of the potential contribution of the community renewables sector toward meeting the Welsh Assembly Governments commitment to annual reductions in greenhouse gas emissions of 3% per year in areas of devolved competence. Chris reminded the group that at that meeting Jane Davidson, WAG Minister for Environment, Sustainability and Housing, had challenged the sector make a 0.5% contribution to those annual targets. Chris said that one of the principal purposes of this afternoon's meeting was to formulate a response to that challenge, possibly in terms of commitments to action and requests for support.

Chris then suggested that the meeting begin with brief updates from participants on their projects, noting achievements and obstacles encountered.

**2.1. Update on Projects** **Keith Jenkins** of **Cwmclydach Communities First**<sup>2</sup> reported that contracts had been awarded and work began on the first phase of their community micro-hydro scheme on December 6<sup>th</sup> 2010. It was planned that the turbine would be operation by March 2011, and should earn around £20,000 per annum for the local community. The principal obstacles encountered to date had been State Aid issues, and a 50% reduction in the funds available which meant that only one of two proposed installations was currently going ahead. Phil noted that there had been numerous planning issues with their local authority, Rhondda Cynon Taff CBC, but that on the whole the council had been very supportive of their efforts.

**Andy Rowland** of **EcoDyfi**<sup>3</sup> and **Bro Dyfi Community Renewables**<sup>4</sup> reported that the group now had their second community-owned wind turbine online. The main obstacles they had encountered had been with establishing a grid connection. Andy also mentioned that he is an officer for **Ynni'r Fro**<sup>5</sup>, which now has several community renewable energy projects beginning.

**Michael Butterfield** of **Llangattock Green Valleys**, having explained recent activities during the morning sessions, said that it was now time for LGV to focus on widely disseminating, and supporting the replication of, their successful model of community-based sustainable development. He summarised the main challenge facing LGV as being that of moving from a volunteer-based to paid staff model of operation. Planning approval from the local authority (Brecon Beacons National Park Planning Authority) remained an issue; the key to dealing with

<sup>2</sup><http://www.cwmclydach.org/>

<sup>3</sup><http://www.ecodyfi.org.uk/>

<sup>4</sup><http://www.bdc.org.uk>

<sup>5</sup><http://www.energysavingtrust.org.uk/Wales/Ynni-r-Fro>

this was to start the dialogue with planning officers very early in the project cycle.

**Adam Kennerly** reported that the **Household Energy Service**<sup>6</sup> involves 7 communities delivering 29% reductions in CO<sub>2</sub>e emissions. Their main issues recently had been 'internal growing pains' as the organisation expanded, and they had been finding the Green Deal<sup>7</sup> an opportunity but also a challenge. **Cwm Harry Land Trust**<sup>8</sup> is thriving, but is now being overtaken by the scale of anaerobic digestion initiatives in Wales, as it is of insufficient size to be able to compete at EU level. Adam also noted that Local Authorities generally display a lack of trust in Third Sector organisations, and that there is a need for the sector to develop a market place for its products and services.

**Chris Blake** reported that **The Green Valleys**<sup>9</sup> is now up to scale, has secured loan finance, developed project structures, has all the necessary documentation in hand and is starting to move on project implementation. Their model utilises varying amounts of community involvement with private contracting of feasibility analysis and installation. After 9 months of planning TGV is now starting to trade. The main obstacles currently are: bureaucracy and regulatory frameworks. There is a need for capital finance, particularly as grants are becoming increasingly scarce.

**Dan McCallum** of **Awel Aman Tawe**<sup>10</sup> reported that they now had full planning permission for 2 community wind turbines; a grid connection offer, and are currently procuring quotations from turbine suppliers. A P90 quantification of annual energy yield had been drafted, and a Bank Wind Certificate was being supplied by the Co-operative Bank. 80% of the capital cost was now in hand, with the money awarded to AAT from the DECC Low-Carbon Communities Challenge to be used to pay deposits with suppliers. The main obstacles AAT now faces is to identify a source for the remaining 20% of the capital cost. Donors/lenders under investigation were Ynni'r Fro and Big Issue Invest.<sup>11</sup>

## 2.2. General Updates and Discussion.

With project updates completed the session then moved into a phase of general updates and a discussion around the issues raised by Jane Davidson's '0.5% challenge' to the community renewables sector on emission reductions. **Chris Blake** suggested that the main questions to answer with regard to the challenge were: (1) what does the sector want from Government; (2) what should be done or set up; (3) what barriers should be removed?

2.2.1 **Usha Ladwa-Thomas** said that the Welsh Assembly Government Update from Climate Change and Water Division policy team were pausing and WAG reflecting on what had been achieved so far – what's been done, and what works. They were also readying for the changes to be

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<sup>6</sup><http://www.h-e-s.org/>

<sup>7</sup>See

[http://www.decc.gov.uk/en/content/cms/what\\_we\\_do/consumers/green\\_deal/green\\_deal.a\\_spx](http://www.decc.gov.uk/en/content/cms/what_we_do/consumers/green_deal/green_deal.a_spx) for further information.

<sup>8</sup><http://www.cwmharrylandtrust.org.uk/>

<sup>9</sup><http://www.thegreenvalleys.org/>

<sup>10</sup><http://www.awelamantawe.org.uk/>

<sup>11</sup><http://www.bigissueinvest.com/>

brought be the next Assembly election, scheduled for 5<sup>th</sup> May 2011. One of the issues currently under consideration were how to usefully direct grants from the Big Lottery Dormant Accounts Scheme for Wales<sup>12</sup>. The WAG team are also engaged in discussions with the Joseph Rowntree Foundation to bring a seminar on social justice and climate change to Wales. In both areas they would welcome guidance and suggestions from the community renewables/sustainability sector. Usha also shared that she and Dan McCallum had attended the Low Carbon Communities conference and among other things would like to alert the group to Carbon Leapfrog<sup>13</sup>, an organisation who addressed the conference offering *pro-bono* professional advice to the community sector – an offer which the Communiversity group might find useful.

2.2.2  
Update on  
Llangollen  
discussions,  
November  
2010.

**Chris Blake** updated the group on discussions that had taken place in a 'fringe' meeting and subsequent workshop on community renewable energy projects at a WAG/Cynnal Cymru community action on climate change event which took place at Llangollen Pavilion on 22<sup>nd</sup> and 23<sup>rd</sup> November, 2010. The themes that emerged from those meetings included:

- A need for sources of loan and investment finance, which should be free of State Aid issues and on an appropriate (sub-millions) scale
- A source of risk capital for community-led renewable energy projects
- A need for experienced mentors to work with communities attempting projects
- A membership organisation to represent the community renewable energy sector in Wales.

2.2.3  
Role of  
Ynni'r Fro

**Ken Moon** added that feedback from people at the workshop raised concerns about the necessity, and cost, of establishing another membership organisations when there were already so many in existence. **Dan McCallum** suggested that Ynni'r Fro already fulfilled the proposed role; **Michael Butterfield** responded that historically there was a problem of lack of community sector confidence in WEFO (the Welsh European Funding Organisation) and this could also be a problem with Ynni'r Fro. He suggested that private finance was preferable, and more available than state funds, because with interest rates very low investors were looking for the better returns renewable energy (under ROC and FITS) could provide.

**Adam Kennerly** commented that there could be no single 'silver bullet' solution to the challenges the sector faced. The biggest asset of the sector is its collective intelligence; the main issue was to focus on function, not form, to identify what we want as a sector. A previous briefing paper<sup>14</sup> by Chris Blake had stated that the sector needs around £20 million in investment; at a recent meeting Adam had heard of an offer of £50 million – but the problem was that an organisations like HES had no capacity to handle such large investments, and so could not accept them.

**Chris Blake** noted that Ynni'r Fro is small and has limited

<sup>12</sup>See <http://cymru.gov.uk/topics/cultureandsport/lottery/biglottery/dormant/?lang=en>

<sup>13</sup><http://carbonleapfrog.org>

<sup>14</sup>See report on 2<sup>nd</sup> Communiversity meeting, September 2010, available online at <http://www.coedglas.org.uk/communiversity>

2.2.4  
Update on  
developments  
at the UK  
level

resources – it is only likely to sponsor around 9 micro-hydro installations around Wales, whereas “we need to add one or two noughts to that number”. **Michael Butterfield** repeated that in his opinion although the Ynni'r Fro scheme offers a useful addition to efforts around renewable energy in Wales it is severely limited by its “WEFO mentality”. In his opinion, the market for renewable energy is far larger than they acknowledge – it would be possible to do at least £7 million's worth of installations just in Llangattock. Chris Blake then asked **Adam Kennerly** to provide an update on developments at the UK level. Adam reported that after gaining funding a number of community organisations and social enterprises across the UK had wanted to examine possibilities for enlarging the marketplace for their goods and services. This resulted in a paper, *Building a New Co-operative Movement* and discussions between networks such as the Low Carbon Communities Challenge Network<sup>15</sup>, the Transition Network<sup>16</sup>, Energy Saving Trust Green Communities<sup>17</sup>, Local United<sup>18</sup> and others on the possibility of speaking with a 'common voice' as a 'network of networks'. At a recent conference<sup>19</sup> around 250 community organisations gave a mandate to this newly-formed *Communities and Climate Action Alliance* to represent them in official discussions regarding e.g. the Green Deal and Anaerobic Digestion policy. A meeting was planned for 25<sup>th</sup> January to further develop the alliance. It is anticipated that further networks will be invited to join. Adam noted that both he and Dan McCallum attended the conference.

Adam then went on to talk about the coming together of 8 social enterprises to form *Local United*, who have now published their business models online.<sup>20</sup> Local United also received a mandate from social enterprises present at the Alliance conference. At the end of January they will be holding a workshop with the Transition Network, and will also be attending the January 25<sup>th</sup> meeting. Their manifesto focuses on four main issues:

1. The need for incubator space for social enterprises to share ideas and models;
2. Support on methodologies, routes to market and social fund-raising
3. establishing verification and qualifications for social enterprise
4. storytelling/marketing, both to the social enterprise sector and the wider public.

Adam suggested that the 'Welsh voice was missing' on the Communities and Climate Action Alliance, which was currently making great progress on collaboration within the Third Sector, and on defining the role of social enterprise in delivering emissions reductions. **Usha Ladwa-Thomas** added that she had also attended the conference and noted a lack of Welsh voices and perspectives. She has since made contact with the organisers

<sup>15</sup><http://lowcarboncommunities.net/>

<sup>16</sup><http://www.transitionnetwork.org/>

<sup>17</sup><http://www.energysavingtrust.org.uk/cafe>

<sup>18</sup><http://www.nef.org.uk/communities/local-united.html>

<sup>19</sup>Communities and Climate Action Conference, 16-17<sup>th</sup> January 2011, Bloomsbury, London.

<sup>20</sup>Available to download from <http://www.nef.org.uk/communities/local-united.html>

- and hope to discuss this issue with them in February.
- 2.2.5 **A Welsh Energy Investment Fund?** **Chris Blake** stated that there is a need to secure capital financing for community-based carbon-reduction and sustainability projects. Energy projects can straightforwardly demonstrate a conventional return on investment – other types of project need different finance models. If there was a Welsh Energy Investment Fund, this would save many community activists a huge amount of effort – and rather than having to go to London for finance, the money could be raised, used and kept in Wales. In addition, we need loan vehicles that have a clear commitment to carbon reduction at their heart. **Lis Burnett** commented that the views just expressed by Chris had been into the report on a recent WAG enquiry into the role of social enterprise in Wales, which is to be debated on the 9<sup>th</sup> February 2011. Dan McCallum of Awel Aman Tawe and the social entrepreneur support organisation UnLtd Wales<sup>21</sup> had also been involved in the enquiry.
- 2.2.6 **Affiliate to an existing network?** **Chris Blake** then questioned the group: “Do we want to take up the Minister's challenge on emissions reduction targets?” **Adam Kennerly** responded “we're willing, but are we able?” **Michael Butterfield** stated that in his opinion the way to approach the challenge was by delivering infrastructure into communities – he is sceptical about the need for another network, people need to see success on the ground rather than more talk. **Ken Moon** responded that networks aren't designed for delivery, but rather for support – like trade associations which are often successful when funded by their membership rather than external grants etc. Cylch<sup>22</sup> was cited by several participants as a success story in this regard, and a discussion ensued as to what are the elements of Cylch's success. These were identified as (a) its lobbying function and (b) its alliance with the Charity Bank.<sup>23</sup> **Michael Butterfield** suggested that, rather than form a new network to represent the community renewable energy sector, it might be simpler and more effective to identify an existing membership body – such as Cylch – and form a new branch within it. **Adam Kennerly** noted that at its last AGM Cylch was charged with finding ways of opening up to other climate change-oriented organisations; having joined, the renewables network might be able to access specially ring-fenced funding. **Ken Moon** suggested that it was important that the chief executive of Cylch, Mal Williams, should be apprised of the possible demand for affiliation; **Chris Blake** noted that there is an urgent need for lobbying on behalf of the community renewable energy sector.
- 2.2.7 **Need for UK and Wales-level lobbying capacity?** **Dan McCallum** then put forward the point that the sector needs an alliance at UK level, as the Welsh community sector currently has no direct influence on the UK Department of Energy and Climate Change (DECC), which is currently 'cold' with regard to community sector organisations. Single organisations could not fulfil such a role; an alliance could be funded with small amounts of money from, e.g. WAG, possibly working in association with the Scottish sector and its Government. **Michael Butterfield** stated that having an alliance with sufficient 'clout' was important, hence

<sup>21</sup>See <http://www.unltd.org.uk/> and navigate to the 'Wales' section

<sup>22</sup>Cylch is the Wales community recycling network – see <http://www.cylch.org/>

<sup>23</sup>See <http://www.charitybank.org/>

the desirability of alliances with large commercial organisations such as British Gas. **Chris Blake** noted that the discussion was now largely about influencing Westminster; what about Wales? **Usha Ladwa-Thomas** commented that there was a clear need to lobby both DECC and WAG; WAG already welcomes input from the community sector through existing channels such as the various Community Networks.

**Lucy Darch** stated that in essence lobbying was about 'speaking with one voice'. British Gas is in the process of reviewing how it works with the community sector. In its capacity as a member of the DECC-convened Green Deal Working Group, it could to some extent represent the many communities it was working with.

**Usha Ladwa-Thomas** responded that a Wales-wide voice for community action on climate change was needed, and not just for the renewable energy sector – it was also important to include groups working on behaviour change, land-use change etc. But such a collective voice would have to have a wide mandate from the Third Sector, and good governance would be essential to its success.

**Chris Blake** suggested that, having reached broad agreement on (a) a Welsh collective voice to speak to DECC and (b) a collective voice to lobby WAG it was now time to move on from the lobbying/standardising issue. **Adam Kennerly** stated that lobbying was only one aspect of the issues at hand – the question was, do organisations within the sector want to join together as a family?

2.2.8  
Emissions  
reduction  
targets

**Michael Butterfield** put forward his view that the main obligation on the community renewable energy sector in Wales was to achieve scale – one step en route to this goal would be to join Cylch. **Stephen Curry** suggested that the main target for the sector was the carbon reduction goal, and that is absolutely necessary to quantify this goal – once goals were clear, then structuring the sector to achieve them would follow. **Steve Harris** explained that it had so far proven difficult to quantify GHG emission reduction targets for the sector as a percentage of WAG's overall 3% pa commitment, partly because when formulating the targets WAG officials had embedded some assumptions about Third Sector contributions into their figures, although the exact nature of those assumptions and the methodology that underlay them was not easily extracted from the published targets.<sup>24</sup> It seemed that if reasonable accuracy was desired what would be required would be for the sector to first undertake independent research (possibly through the Centre for Alternative Technology) into the likely per annum GHG reductions from community initiatives, then bring those figures into dialogue with the authors of the WAG targets – a complex and possibly costly process. **Ken Moon** informed the group that Dr. Calvin Jones of Cardiff University was currently undertaking research for the campaigning group Stop Climate Chaos which might be helpful in clarifying this issue – perhaps he could be requested to carry out some work on behalf of the Communiversity?

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<sup>24</sup> The targets are set out in the WAG *Climate Change Strategy for Wales*, available for download from <http://wales.gov.uk/topics/environmentcountryside/climatechange/tacklingchange/strategy/walesstrategy/>

**Chris Blake** noted that a problem with the 0.5% target is that it represents a 'top-down' approach to the problem, and that community groups don't generally work in this way. This may suggest that it is not possible to make a commitment to such a target. Stephen Curry responded that top-down targets can foster bottom-up choices. **Adam Kennerly** said that the danger with setting a top-down target was that the sector would not be able to deliver on it. The only way to avoid that problem was to develop a plan – a problem at the moment, as the community renewables sector in Wales has little coherence or clear identity.

**Andrew Fryer** commented that top-down targets were generally used to direct Government spending, with grant aid used as a control mechanism for policy delivery – up till now, the traditional milieu of community groups and social enterprises. The current shift away from grants toward a 'free marketplace' would require policy makers to find different ways of influencing community sector agendas. In business practice, the tools for dealing with big organisational networks are much less directive and controlling (involving models and processes) and require a completely different skill set. The tensions between community organisations like LGV and government are analogous to those between companies in big business networks, which often exist because appropriate tools are not in place. **Chris Blake** agreed that grants are often for defined goals, and observed that the sector was now moving toward more amorphous funding pools, increasingly more dependent on business cases rather than policies.

**Nic Shugar** enquired as to whether it was possible to establish the emissions savings of current activities within the sector, in order to establish a baseline. In his view this was a good way to respond to complexity, cutting through the 'Gordian knot' by getting simple measures per project in place as a start. **Adam Kennerly** commented that this is one of the services Cylch provides by auditing its members – where is the organisation to do this for the community renewable energy sector? **Lis Burnett** said that she and NESTA had been working with UnLtd on the question of how to go from individuals to scale. She was also working with the Welsh Social Enterprise Coalition<sup>25</sup> on this issue – but that it clearly would always involve a development process. UnLtd, for example, was involved in developing its networks. However, in the end it always comes down to defining *purposes*.

**Grenville Ham** stated that it was always important to remember that the science tells us that the 3% pa target is simply not enough to avoid potentially catastrophic climate change – and that in actuality the WAG target is much less than that, as it only applies to areas of devolved competence. Another problem was the link between Welsh and UK targets, which contain so many caveats and encompass a great range of policies. **Adam Kennerly** said that it was clear that targets are bunk – the point of the discussion was to try to use the Ministerial offer as a stepping stone on the journey to establishing sustainable communities in Wales, and building the capacity of the community sector to do so.

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<sup>25</sup>See <http://www.welshsec.org/en/index.php>

2.2.9 Winding up the first part of the afternoon session **Chris Blake** asked the group if they had arrived at a consensus to:

Conclusions from the first part of the afternoon's discussion

- Utilise an existing network in Wales, rather than forming a new stand-alone organisation to represent the community renewable energy sector;
- More clearly define what the sector wanted to achieve;
- Send representatives of the sector to UK-level meetings – both those led by the community and those convened by DECC

This met with general agreement and the discussions were suspended for a short refreshment break.

2.2.10 **Chris Blake** began the second half of the afternoon session by asking the group “Are we in a position to sign up for the 0.5 GHG emissions reduction target challenge issued by the Minister?”

Feasibility of 0.5% challenge

**Usha Ladwa-Thomas** commented that in the future project officers employed on the WAG Low-Carbon Pathfinder project will be able to contribute toward a database of carbon-reduction activities by mapping what actions communities across Wales are taking. However, she suggested that an appropriate immediate response to the Minister's challenge might be to acknowledge that at the moment the sector lacks the essential infrastructure to carry out and monitor the work. **Grenville Ham** noted that for the Brecon Beacons National park to achieve the target would require the installation of approximately 2MW of micro-hydro per year. **Andy Rowland** suggested that it would be preferable to couch the challenge in terms of how much could the sector deliver in a year, and what help would they need to do so. An audit could be useful to provide a baseline for scenario planning, and for more clearly specifying what help and support would be needed to make improvements in the targets. **Ken Moon** commented that the sector should be in a position to say something about what's been achieved so far, and how it's been funded, as first step toward looking to the future. **Ceri Williams** enquired as to whether there was actually any money being offered by the Welsh Assembly Government.

2.2.11 **Chris Blake** attempted to summarise the position in the following terms: the group was not happy to commit the sector to a 'quick and dirty' attempt to commit to the 0.5% target, but would ask for support to carry out an audit – over the next 6-8 months - of GHG emissions reductions achieved and achievable by the sector. This statement prompted a short discussion on the complex technical issues involved in making such measurements and predictions. At its conclusion **Chris Blake** continued to summarise: the main points are

First summary of discussion on targets

- We are not in a position to quantify the sector's actual or potential contribution;
- We need to carry out research, and require funding to do so;
- In the meantime, we take the view that our projects are 'heading in the right direction'.

- 2.2.12 Discussion on first summary **Nic Shugar** commented that the group should also clearly state that in their opinion the WAG 3% pa target was inadequate to the scale of the challenge. **Adam Kennerly** suggested that the community renewable energy/sustainability sector had to be prepared to be bold. Accepting that there is no standard methodology for measuring GHG emission reductions, they should scenario-plan for the sector, not for a specific target. Realistically, massive reductions were required across all sectors. **Andrew Fryer** informed the group that he had been carrying out discussion with Western Power Distribution<sup>26</sup> on community-level renewable energy inputs to the National Grid. They are making the point that the Grid experiences massive transmission losses – community involvement in locally distributing locally generated energy mitigates such losses and so the energy has 'added value'. Awareness of this locally added value could be a driver of behaviour change. Prompted by Chris, Andrew agreed that this meant the community renewables sector should start talking more often with power distributors, who are very interested in the whole issue of localising use, and are currently planning initiatives on this topic. e.g. metering local sub-stations.
- 2.2.13 Developments within & around the community renewable energy sector **Ken Moon** commented that the sector should proceed cautiously with regard to the EU Emissions Trading Scheme,<sup>27</sup> being especially vigilant against the possibility of making false claims. Savings made by the community energy sector would free up energy generation elsewhere in the industry, allowing utility companies to profit by selling their unused emissions to other energy users without reducing overall emissions. This might be an area where utility companies and communities could work together so that communities could also benefit. **Adam Kennerly** informed the group that New Labour peer Bryony Worthington<sup>28</sup> is now a community climate change champion in the House of Lords. **Simone Lowthe-Thomas** said that the WAG Pathfinder project officers may well help with the concerns under discussion. Their research will examine behaviour change. Simone's agency, SWEA,<sup>29</sup> is also involved in work to produce a single energy action plan for Wales, as part of the European ENNEREG<sup>30</sup> project, part of the *Intelligent Energy - Europe* programme.<sup>31</sup> **Ken Moon** added that the Climate Change Consortium of Wales<sup>32</sup> has a research budget and wishes to work with communities.
- 2.2.14 Identifying & removing barriers to scaling-up **Chris Blake** then asked the group, having arrived at a response to the 0.5% target challenge, to go back to a focus on barriers, particularly in terms of scaling-up from existing projects. **Keith Jenkins** immediately stated that in his view an essential first step was that bureaucratic procedures need to be simplified. The Cwm Clydach project is comparatively small, is on LA land,

<sup>26</sup>The electricity distribution network operator for South West England and South and West Wales. See <http://www.westernpower.co.uk>

<sup>27</sup>See [http://en.wikipedia.org/wiki/European\\_Union\\_Emissions\\_Trading\\_Scheme](http://en.wikipedia.org/wiki/European_Union_Emissions_Trading_Scheme)

<sup>28</sup>See <http://www.guardian.co.uk/environment/blog/2010/nov/19/labour-peer-bryony-worthington>

<sup>29</sup>Severn Wye Energy Agency, see <http://www.swea.co.uk>

<sup>30</sup>ENNEREG - Regions paving the way for a Sustainable Energy Europe. See <http://regions2020.eu/cms/>

<sup>31</sup>See <http://ec.europa.eu/energy/intelligent/>

<sup>32</sup> A joint initiative between the universities of Aberystwyth, Bangor, Cardiff and Swansea. See <http://www.climatechangewales.ac.uk/>

and has the full support of the Local Authority and WAG – yet has still taken 7 years from conception to beginning installation! **Michael Butterfield** heartily agreed, adding that LAs and government agencies can find it difficult to deal effectively with community organisations. What is important is to get all interested parties around the table, with a determination to make projects happen. Chris Blake commented that although these points were clearly valid, neither this group, nor the sector overall, currently had the resources to wage a large-scale campaign to alter policy and procedures.

2.2.15  
Key issues  
around  
expanding  
the  
community  
renewable  
energy/GHG  
emissions  
reduction  
sector

**Adam Kennerly** raised a list of issues:

1. Can the sector build up a number of case studies of barriers encountered and what was done to overcome them?
2. Some barriers *can* be dealt with from the top-down – the sector needs a common voice to be able to articulate these to national, regional and local government and agencies;
3. The sector needs to collectively examine how projects and initiatives currently do, and in the future will get financed;
4. The sector needs to establish how best to build upon current models of action, including the need for incubator space for social enterprise;
5. Verification (of power outputs, claims for GHG emission reduction etc.) will be an increasingly important issue for the sector;
6. Qualifications and assurance schemes will also need to be developed in order to build the sector's credibility with government, agencies, private enterprise and the public.

**Chris Blake** commented that this implied that will the sector is waiting for the rules to change, a lot of time should be spent sharing experience.<sup>33</sup> **Ken Moon** noted that the Kafka Brigade<sup>34</sup> are a bureaucracy-breaking NGO – perhaps the Welsh practitioners should contact them? **Michael Butterfield** commented that LGV could export their experience with local councils to other communities.

**Chris Blake** suggested that one challenge was to acquire resources to support knowledge-sharing within the sector – **Adam Kennerly** agreed that there should be ways to get paid for such services. **Usha Ladwa-Thomas** suggested that WAG could help in a small way by suggesting that the Big Lottery Dormant Fund (see footnote 11) be opened up to applications for mentoring schemes. Responding to Chris's comment that it would be important to ensure that mentors under such a scheme should not need to be officially qualified, Usha said that it would be important that they should be experienced and trusted – establishing the right protocols for such as scheme would be important.

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<sup>33</sup>One of the main drivers behind the Communiversity of Wales initiative is precisely to provide an independent arena for mutual knowledge-sharing, support and development. A next step will be to expand its constituency to include practitioners in other aspects of sustainable development and climate change mitigation and adaptation.

<sup>34</sup>The Kafka Brigade is an independent, non-profit action research team whose mission is to tackle the bureaucratic dysfunction and red tape which prevents people from accessing the services they need, and which constrains and frustrates public service staff. See <http://www.kafkabrigade.org.uk/>

- 2.2.16 **Lucy Darch** then talked about the EnergyShare social networking energysshare scheme founded by British Gas and River Cottage.<sup>35</sup> The idea was to try and connect community energy initiatives, and to set up a clean investment fund to support such projects. The aim was to create a fund of money with 'no strings attached'. The scheme worked by capturing customers in the 'churn' of changing energy suppliers; the fund will gain £10 per head for consumers who affiliate with energysshare and become customers of British Gas for one year. Allocation of grants from the fund will be decided through online voting of all energysshare affiliates.
- 2.2.17 **Andrew Fryer** stated that in his view there was still a strong 'silo' culture evident between public sector officers, community organisations and private business. The 'fulcrum point' for breaking down barriers between these silos is elected politicians. He explained how he had found great difficulty, as chairman of LGV, in interacting with Powys County Council officers. **Michael Butterfield** commented that many citizens have become completely dependent on their Local Authorities, which should more properly be *servicing* their citizens' interests, rather than directing them as is so often the case. **Andrew Fryer** responded that he saw it as an issue of power – if there is no, or only weak links between the organisation and their LA, they cannot influence them. However, community organisations could build such links – for example, the Talybont-on-Usk Energy<sup>36</sup> have more influence with their LA than the local Community Council. Ken Moon noted that One Voice Wales<sup>37</sup> was looking at the role of Community Councils in energy and GHG emission reduction, with Usha L-T adding that Cynnal Cymru had also been involved.
- 2.2.18 **Chris Blake** then moved the discussion on to consider the case for using commercial money to fund community renewable energy projects. Dan McCallum informed the group the Energy4All<sup>38</sup> have set up a fund to support planning costs for community wind turbines above 4MW. Venture capital trusts will also provide money for approved schemes, e.g. Low Carbon Investors<sup>39</sup> and Climate Change Capital<sup>40</sup> – but will not fund the risk in pre-planning approval stages. Such trusts are typically charging 16% interest, but have a good knowledge base and expertise in the issues. As mentioned earlier, Big Issue Invest and the Charity Bank were also willing to invest in community energy schemes, but Dan was not aware of what levels of funding they might make available.
- Chris Blake** responded that the problem with most commercial investment funds was that their minimum transaction level (around £0.5m) was much too high for most community projects. **Adam Kennerly** said that this again pointed to the need to 'package things up' across the sector – or to use public money to get such funders to lower their thresholds. **Dan McCallum**

<sup>35</sup>See <http://www.energysshare.com>

<sup>36</sup>See <http://talybontenergy.co.uk/>

<sup>37</sup>The organisation that represents and provides support services to community and town councils in Wales. See <http://www.onevoicewales.org.uk/>

<sup>38</sup>An organisation which aims to expand the number of renewable energy co-operatives in the UK. See <http://www.energy4all.co.uk>

<sup>39</sup>See <http://www.lowcarbonaccelerator.com/>

<sup>40</sup>See <http://www.climatechangecapital.com>

- 2.2.19 Marketing community renewable energy  
observed that Cylch's relationship with the Charity Bank could be used to cover the risk for small community energy schemes. **Adam Kennerly** responded that the pot of money for community recycling schemes secured through that arrangement was around £13m. **Chris Blake** commented that the community energy sector needs something exactly like that – but three times as big! **Grenville Ham** enquired who would take on the role of seeking out renewable energy innovators and social entrepreneurs within communities if funds were available – how many people were employed to support community leaders such as Michael? **Michael Butterfield** said that it was up to successful projects to go out and deliver, to seed projects into other communities. **Chris Blake** said that he would be happy for The Green Valleys to have a 'sales team' once a revenue model had been established. Both **Michael Butterfield** and **Nic Shugar** suggested that it already had – with LGV as the exemplar. **Adam Kennerly** said that in his view the community sector doesn't yet have enough 'products' – but that this doesn't mean they shouldn't be striving to develop a market for community-generated goods and services. Furthermore, the public sector should be helping to develop such a market – if they genuinely want to achieve GHG emission reductions. **Chris Blake** summarised the marketing approach of the sector as 'passive selling by example'.
- 2.2.20 Drafting a response to the Minister's 0.5% challenge - Part 1  
**Chris Blake** urged the group to consider the content of a letter responding to the WAG Minister for Housing and Environment's '0.5% challenge', to begin “Dear Jane, we the undersigned would like to see as your legacy...” **Ken Moon:** start-up capital to launch a Community Renewable Energy Capacity-building Fund. **Chris** raised the topic of support officers – **Simone Lowthe-Thomas** responded that this is what Ynni'r Fro already provides. **Grenville Ham** and **Chris Blake** both responded that more was needed, as Ynni'r Fro is an exemplar scheme – and many community projects don't fit its requirements. **Ken Moon** suggested that an appropriate fund could enable communities to buy in the support they need. Core funded organisations are required to meet the needs they are funded to deliver first and foremost so any additional support they are asked to provide should be on a fully tendered process and contractual, with a range of organisations invited to tender.
- 2.2.21 The need for peer mentoring  
**Lis Burnett** said that the demand from communities is for peer mentors – but what social enterprises actually get at the moment is advisers., and they are not always good. Peer mentoring is different from giving advice – but at the moment social enterprises are often expected to do it for free. **Phil Jenkins** noted that under the DECC Low-carbon Communities scheme award winners were expected to provide peer mentoring, especially when people come to visit project sites. Training to help project members act as mentors would be helpful. **Usha Ladwa-Thomas** added that there were plans to provide support for peer mentoring within the new WAG-sponsored Time for Action carbon reduction time bank project being set up by SPICE<sup>41</sup> and WAG. **Andrew Fryer** noted that it is individuals, rather than organisations who become peer mentors. **Nic Shugar** suggested

<sup>41</sup>An organisation that develops time banks and other community credit systems. See <http://www.justaddspice.org/>

that expertise can be 'bundled up' into workshops. **Adam Kennerly** suggested that social enterprise want to hear from people who have actually 'done it themselves' rather than the many paid advisers and officers who are accountable to their funders' policy objectives.

**Steve Harris** suggested that what many of the speakers were describing was a Knowledge Transfer Scheme, akin to those already run by many universities, where the time of an appropriately experienced individual was bought out from their organisation so that they could go and work in depth elsewhere. He also suggested that the Communiversity model, where training and knowledge exchange happens at the site of sustainability initiatives is complementary to such schemes.

2.2.22  
Drafting a response to the Minister's 0.5% challenge - continued. Establishme nt of 4 essential points (A, B, C & D) for inclusion.

**Chris Blake** resumed his attempt to steer the group toward drafting a letter to the Minister. Points so far were:

- A) Help to establish a Community Renewable Energy Capacity-building Fund.
- B) Help to establish a Peer Mentoring Scheme

Chris suggested that looking back over the previous discussion the next point should be

- C) Support for an existing network organisation to take on representation of the community renewable energy sector in Wales, including support for an coordinating officer, newsletter etc.

There was general agreement on this point, with **Dan McCallum** and **Adam Kennerly** among others suggesting that the group should 'shop around' for the most suitable host organisation, with Cylch being a strong favourite but also considering others such as the Development Trusts Association Wales<sup>42</sup> or Cynnal Cymru.<sup>43</sup> **Ken Moon** suggested that organisations core-funded by the Welsh Assembly Government might not be suitable, while **Michael Butterfield** suggested that being part of a large association might allow the securing of better procurement deals, e.g. on bulk-buying of solar PV panels.

**Nic Shugar** noted that the discussion was currently focused on responding to Jane Davidson; might it not also be an idea to address requests to her successor, inasmuch as she would be leaving office at the 5<sup>th</sup> May 2011 Assembly elections?

Picking up the letter draft topic, Chris Blake suggested that the next point could be:

- D) Funding for research into the community renewable energy sector's contribution to the Welsh GHG emission reduction targets.

This also meet with general agreement. **Usha Ladwa-Thomas** commented that the Minister had made her '0.5% challenge' to the wider community sector in Wales, so it would be important to include other groups – e.g. those involved in land-use change and food production and distribution – into the discussion.

<sup>42</sup>See <http://www.dtawales.org.uk/>

<sup>43</sup><http://www.sustainwales.com>

- 2.2.23 Additional suggestion for requests to the Minister (s) Dan McCallum suggested that the group might also request that WAG fund Welsh community representation on the *Communities and Climate Action Alliance*. **Ceri Williams** suggested that as the Economic Development Department at WAG were hosting discussions on employment initiatives, this group could ask to be represented at those talks. **Andy Rowland** said it was important to remember time scales – here was a pressing need to ask the Minister to direct funds and offer support while she still had the power to do so. **Usha Ladwa-Thomas** suggested that a letter could also be drafted to the incoming Minister – while also cautioning that given the current economic circumstances government money may not be available. Ken Moon suggested that the group should also contact Assembly Members with interests in this area.
- 2.2.24 Closing comments **Adam Kennerly** stated that the community energy sector has a 'huge collective intelligence', but is under a lot of pressure and faces many barriers. **Lucy Darch** urged the group to understand the power of their voice in the community. She said that from the perspective of British Gas, the group's grass-roots knowledge had a lot to offer to business. **Dan McCallum** expressed some concern about representing Wales at the forthcoming CCAA meetings , as he had no formal mandate - **Usha Ladwa-Thomas** suggested that she could help in link in to more groups in Wales, while **Adam Kennerly** suggested that as long as he made his unofficial position clear at any meetings, that would be fine.

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At this point **Chris Blake** drew the meeting to a close and thanked all participants for their contributions.