

Dadansoddi ar gyfer Polisi



Analysis for Policy



Llywodraeth Cymru
Welsh Government

Ymchwil gymdeithasol
Social research

Rhif/Number: 05/2014

www.cymru.gov.uk

Ynni'r Fro Mid-term Evaluation - Final Report

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Brook Lyndhurst

Views expressed in this report are those of the researcher and not necessarily those of the Welsh Government.

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Welsh Government Social Research, 2014

ISBN 978-1-4734-0826-5

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Glossary of acronyms

CRE	Community Renewable Energy
DECC	Department of Energy and Climate Change
DEFRA	Department for Environment, Food and Rural Affairs
EA	Environment Agency
EOI	Expression of Interest
ERDF	European Regional Development Fund
EST	Energy Saving Trust
FIT	Feed in Tariff
LCCC	Low Carbon Communities Challenge
LPA	Local Planning Authority
NRW	Natural Resources Wales
SME	Small-Medium Enterprise
TDO	Technical Development Officer
WCVA	Wales Council for Voluntary Action
WEFO	Welsh European Funding Office

Executive Summary

Ynni'r Fro is a European funded Welsh Government programme to encourage the development of community renewable energy initiatives through the provision of advice, support and financial assistance. The programme is managed by the Energy Saving Trust.

The findings from this mid-term evaluation suggest Ynni'r Fro is having a significant impact in enabling community groups to progress through the initial stages of developing a renewable energy initiative. In particular, the wide-ranging advice and support delivered by its network of Technical Development Officers (TDOs) has often been crucial to this development. However, there are also significant external challenges that have limited their progress, including local opposition, the high costs of preparatory work and difficulties in gaining planning approval and consent. Aspects of the programme's design and delivery have also mitigated its impact to date. Ynni'r Fro is unlikely to achieve its ambitious targets for energy generation and job creation by the end of the programme in 2015, but progress is likely to continue towards these in the longer term.

Key recommendations for future support through Ynni'r Fro and any potential successor programme include continuing and protecting the TDO role, building relationships with external stakeholders, and considering the introduction of contingent loan funding for preparatory work.

Introduction

Ynni'r Fro is a Welsh Government programme to encourage the development of community renewable energy schemes in Wales. It uses European Regional Development Fund funding to provide three types of support to community groups looking to develop a renewable energy project:

- Advice, information and hands-on support delivered through a network of seven locally-based Technical Development Officers (TDOs)
- Preparatory stage grants of up to £30,000 to fund pre-installation activities
- Loans of up to £300,000 or grants of up to £250,000 towards capital costs of installation

Ynni'r Fro began in January 2010 and is due to conclude in March 2015. It was reported in April 2013 that nearly 200 community groups had applied to the programme for support.

The Welsh Government commissioned Brook Lyndhurst to conduct a mid-term evaluation of Ynni'r Fro to assess its performance to date and identify recommendations for improvement going forward. The evaluation had four components:

- A desk review of the recent history and policy context to Ynni'r Fro

- An online survey of community groups that have applied to Ynni'r Fro for support, to explore their experiences of engaging with the programme and any support they may have subsequently received
- Follow-up interviews with selected community groups who responded to the survey, to gather more detailed insights about their experiences
- Interviews with stakeholders to discuss the design and delivery of the programme and the broader barriers to community renewable energy in Wales

The recent history and context to Ynni'r Fro

Ynni'r Fro is the first major programme of support targeted specifically at community renewable energy initiatives in Wales. UK-wide government programmes have generally offered time-limited support to small number of initiatives. Ynni'r Fro can be seen to have some positive features in comparison: it aims to provide national coverage through its regionally based TDOs who have a broad remit in terms of the type of advice and support they provide; it offers a combination of financial support for both the early preparatory stages and capital funding; and it has a longer time-scale, of five years, than most UK programmes.

The Welsh Government has expressed its support for community renewable energy as part of its broader sustainable development objectives. Changes were made to planning guidance in 2011 to state that community renewable energy projects should generally be supported, “provided environmental impacts are avoided or minimised, and nationally and internationally designated areas are not compromised” (Welsh Government, 2011). It has been reported that the recent formation of Natural Resources Wales will “have major advantages in terms of simplifying and streamlining the consent process” (Welsh Government, 2012). This will have particular benefits for development of hydropower projects. Community groups in Wales are also eligible to receive FiTs¹, although the Welsh Government has no direct control over its eligibility criteria or tariff levels.

Characteristics of groups that have come into contact with Ynni'r Fro

The types of community groups that have applied for support through Ynni'r Fro are diverse. Groups that responded to the online survey included ‘traditional’ community organisations (such as charities), as well as newer social enterprise models. Groups represented in the survey also varied in terms of how established they were – around two-thirds said they had been running for more than five years but there were also groups that had been running for less than a year. Most groups described their aims as ‘community regeneration’ or had other community-orientated objectives, as opposed to producing renewable energy per se.

Groups also tended to have low levels of organisational capacity and relevant previous experience. Around a half of groups had no paid staff, and even amongst those who did, this was generally only a small number, i.e. 1 to 5. More than two-thirds said they had “a reasonable amount” or “a lot” of experience of running

¹ Feed in Tariffs (FiTs) were introduced by the UK government in April 2010. FiTs are intended to incentivise and enable greater investment in small-scale (under 5MW) renewable generation, by providing a fixed rate of return for energy generated by individuals, groups or organisations.

community projects but less than a quarter reported having this level of experience of developing a renewable energy project. Most groups were in the early stages of developing a renewable energy project when they applied to receive support through Ynni'r Fro. The majority had identified a site and undertaken some form of initial feasibility work but few had progressed far beyond this.

The needs of groups that have come into contact with Ynni'r Fro

The survey results and interviews with groups and stakeholders identified several challenges to developing a community renewable energy project, including:

- **A shortage of capacity, skills and experience.** This was partly a reflection of the characteristics of the groups themselves (described above), but also the difficult, complex and time-consuming nature of developing a community renewable energy project. Groups were often reliant on one or two key individuals working on a project, and there were instances where projects had stalled or ended if these individuals moved on.
- **Local opposition.** This was a specific challenge for groups developing wind projects. In some cases it was reported that vociferous local opposition had ultimately led to the abandonment of projects.
- **Difficulties obtaining planning permission and consent.** Amongst groups that had progressed this far, this was a significant challenge. Local Planning Authorities (LPAs) and Natural Resources Wales (NRW) were perceived to be resistant to community renewable energy and to give insufficient consideration to the potential benefits of projects to local communities. LPA and NRW officers were also felt to sometimes give conflicting guidance to groups about what they needed to do in order to gain approval. These difficulties had led to projects being significantly delayed, escalating costs, severe restrictions being imposed on the scale of projects, and some projects being abandoned.
- **Funding for preparatory work.** The full costs of developing a community renewable energy project to the point where it is ready to begin construction were estimated to be between £50,000 and £120,000. Groups typically did not have the means to raise this themselves and were reliant on preparatory funding through Ynni'r Fro or other sources.
- **Capital funding.** At the time of this research, groups had not generally progressed as far as the construction phase of their project but several expressed concerns about their ability to access capital funding when they did. Share issues were not seen as a viable option in many areas of Wales because of a perceived lack of wealth in local communities and groups were often wary of entering into a joint venture to access finance from a private investor. Several barriers were also reported to groups accessing debt finance from lenders.

Nature of support delivered to groups through Ynni'r Fro

Groups that responded to the survey reported that they had received a wide range of support through Ynni'r Fro, particularly from the programme's TDOs. For example,

over half said they had received support with carrying out feasibility studies, accessing preparatory funding, contacts with other organisations, general support and encouragement, help with legal issues and technical advice. The in-depth interviews with groups revealed that TDOs have also performed several different roles in the course of supporting groups, including acting as a guide, mentor, translator, intermediary and advocate. Two-thirds of the survey sample had received preparatory funding through Ynni'r Fro and reported that this had enabled them to meet the costs of feasibility studies, environmental surveys and other expenses important to the development of their project. At the time of the research, no group had yet received any capital funding through Ynni'r Fro, although three-quarters of survey respondents said that they intended to apply for this in the future.

Impacts of Ynni'r Fro

The evidence from the research suggests that Ynni'r Fro is having a substantial positive impact on the development of the projects it is supporting. In particular, the often intensive and wide-ranging support that TDOs have been providing appears to have been effective in helping groups address the challenges posed by limited capacity and shortage of skills and experience. In the online survey and in-depth interviews, community groups consistently rated the importance of this support to the development of their project highly. In addition, most of the groups that had received preparatory funding through Ynni'r Fro indicated this had been crucial to the continued development of their project. Several explained in the interviews they would have “given up” or “could not have managed” without the combination of non-financial and financial support they had received through Ynni'r Fro.

Equally, there are some areas where the impact of Ynni'r Fro on the development of the projects it is supporting appears to have been more limited. Even with the support of their TDO, groups were still experiencing significant difficulties in overcoming the challenges posed by local opposition and obtaining planning permission and consent for their projects.

Impacts of Ynni'r Fro at a programme-level, against the targets set by WEFO, have been mixed. Targets for the number of enterprises assisted and created, and the adoption of equality strategies and environmental management are already partially or wholly achieved. However, there was a general expectation amongst stakeholders involved in the delivery of Ynni'r Fro that the targets for energy generation, greenhouse emissions and job creation will not be wholly met by the end of the programme in March 2015. These targets are contingent on projects having progressed as far as generating energy within this time-frame. The 22 exemplar projects that have been receiving the most intensive support through Ynni'r Fro are generally still in the planning application or consents phase of their development, with no guarantee they will all quickly and successfully progress through this phase. It is likely that the full impacts of Ynni'r Fro against its targets for energy generation, reductions in greenhouse emissions and job creation will only be realised some time after the life of the programme.

Factors mediating the impact of Ynni'r Fro

A series of factors can be seen to have mediated the impact of Ynni'r Fro:

- **External factors.** It was widely felt that the initial confusion surrounding FiTs and EU state-aid regulations that led to the suspension of financial support for the first 18 months of Ynni'r Fro had set back the progress of the programme. There also appear to be some on-going ambiguities surrounding what Ynni'r Fro preparatory grant funding can and can't be used for under the state-aid rules without disqualifying groups from receiving FiTs. There is a need for further dialogue between the programme and Ofgem (who administer the FiTs scheme) to clarify these issues. The other key external factors relate to the perceived attitudes of local planning authorities and NRW to community renewable energy projects already discussed above.
- **Who receives support through Ynni'r Fro.** There was consensus among stakeholders involved in the delivery of the programme that the initial focus on supporting larger-scale projects partly explained the lack of progress at a programme-wide level so far. The challenges associated with community renewable energy projects were felt to be particularly acute for larger-scale projects, meaning they were always going to be unlikely to complete their development within the lifetime of Ynni'r Fro. More generally, it was suggested that Ynni'r Fro may have supported projects that were 'sub-optimal' (both in terms of their scale and their chances of succeeding), and that the programme had possibly missed out on other projects with greater potential, such as smaller ones or those that made use of a broader range of renewable energy technologies.
- **What support is provided through Ynni'r Fro.** All respondents felt the Ynni'r Fro TDO support 'worked' and that TDOs were effectively supporting groups with numerous aspects of their projects' development. The only perceived limits to this support was the extent which TDOs could, on their own, enable groups to address the challenges posed by significant local opposition and difficulties in the planning/consent process. To a very large extent respondents felt this was a reflection of the intractability of these challenges rather than any deficiencies on the part of the TDO support. The Ynni'r Fro preparatory funding was also seen as an essential component of the programme but many groups that had already received grants indicated they'd still need further, additional preparatory funding from Ynni'r Fro to continue to progress their project. There were mixed views on the Ynni'r Fro capital funding provision. Some felt it may be unnecessary or even redundant, based on the expectation that groups would be able to access the capital they needed relatively easily. Others were considerably more pessimistic about the prospects of groups being able to do this. They felt the Ynni'r Fro funding would greatly improve these prospects by providing groups with the match-funding that lenders would require as a condition of making a loan.
- **Programme administration.** The Energy Saving Trust is responsible for administering the Ynni'r Fro programme. Community groups and stakeholders felt

that aspects of the administration of Ynni'r Fro could be improved. Communication was as a key issue – both in terms of how different parties involved in the delivery of the programme communicate with one-another and communication between the programme and community groups. It was reported that this had, on occasion, undermined the ability of TDOs to perform their role effectively and contributed to uncertainty amongst community groups.

- **Interaction between Ynni'r Fro and external bodies.** Although some steps had been taken to engage with representatives of other key bodies such as Ofgem, NRW and LPAs during the programme, it was felt that not enough had been done to formalise these relationships and establish an on-going dialogue. Respondents felt this had partly contributed to the on-going ambiguities surrounding what preparatory funding can be used for without disqualifying groups from FiTs, and the difficulties reported in the planning and consent process.

Suggested Improvements

Numerous suggestions were made by community groups and stakeholders about how projects in Wales may be better supported in the future, both during Ynni'r Fro and potentially beyond it. This included changes in the following areas:

- **Who receives support.** There was fairly universal agreement that smaller projects and those employing technologies other than wind or hydro should receive support through Ynni'r Fro or a successor programme in the future. In addition, some stakeholders suggested more fundamental changes to the allocation of support. It was suggested that this should be based on identifying sites with the most potential and then matching community groups to these sites. This would ensure the targeting of support at projects most likely to succeed but also potentially exclude some communities from accessing support. Another suggestion was that landowners, farmers or SMEs that may be interested in developing projects where ownership is shared with a community group should be more actively encouraged to apply for support. This was on the basis that they would be better equipped to develop successfully than purely community owned projects, although the scale of the benefits to the community would be reduced. Both of these suggestions highlight potential trade-offs between the targeting of support at projects most likely to succeed, and issues of community benefit and equity.
- **What support is provided.** The overriding feedback from community groups and stakeholders was that the Ynni'r Fro TDO support should be maintained largely as it is for the remainder of the programme and, if at all possible, beyond it. There were also calls for the provision of additional resources to complement the existing TDO support. These included a central library of forms, contracts and templates, training for groups on project management, a dedicated source of financial and legal advice, and mechanisms to facilitate peer-to-peer learning. In terms of preparatory funding, some suggested that current Ynni'r Fro limit of £30,000 should simply be increased or that the balance between Ynni'r Fro funding for preparatory and capital support should be revised in favour of the

former. Another suggestion was to provide groups with access to loan finance to meet their preparatory costs. There is a precedent for this in Scotland where the CARES programme already offers a “pre-planning loan” of up to £150,000, which is written off if a project fails to progress beyond the planning stage.

- **Programme administration.** It was suggested that there was a need for better communication and more dissemination of information between different parties involved in the delivery of Ynni'r Fro. More regular, and frequent meetings between TDOs, EST and the Welsh Government to discuss strategic programme issues were suggested. It was also suggested that community groups should be provided with more clarity around what does and doesn't qualify for Ynni'r Fro support, and transparency in how decisions on these kinds of issue are made.
- **Interaction with external bodies.** Stakeholders felt that greater dialogue was needed between those delivering Ynni'r Fro and external bodies such as Ofgem, NRW and LPAs, in order to start to address the external barriers to the programme. It was suggested by a number of stakeholders that the original intention to form an Ynni'r Fro steering group containing representatives of Ofgem, NRW and LPAs (and other external bodies such as district network operators), should be resurrected and put in place.
- **Wider measures.** While respondents were positive about the potential value of the above changes, it was felt by many that they would not be enough on their own to overcome the significant external challenges currently facing Ynni'r Fro and the groups it is supporting. Wider measures by the Welsh Government were thought to be necessary, such as the setting targets for community renewable energy generation, as in Scotland, and stronger guidance to local planning authorities and NRW in support of community renewable energy projects.

Recommendations

The following recommendations are based on the evaluation team's interpretation of the preceding findings. They do not necessarily represent the views of all the groups and stakeholders who participated in the evaluation or the views of the Welsh Government. The recommendations are structured around the original objectives of the evaluation to:

Consider the appropriateness of the programme aims, indicators and targets

- Set future targets that reflect the current challenges and timescales in sector, and which allow smaller-scale projects to be supported.
- Develop additional indicators to measure intermediate impacts.
- Adopt more flexible indicators to reflect the broader social and economic impacts of CRE projects.

Consider the barriers and constraints the programme has faced

- Use data collected through Ynni'r Fro, and other sources, to better demonstrate the benefits of community renewable energy to other public bodies.

- At a project-level – support on-going dialogue between TDOs and officers in NRW and LPAs.
- At a programme-level – establish a multi-agency steering group attended by representatives of NRW, LPAs, and potentially other stakeholders such as Ofgem and district network operators.
- At a Welsh Government level – consider formal measures to promote community renewable energy in Wales, e.g. the setting of targets and revisions to the current planning guidance.

Identify what recommendations can be made to improve the current programme

- Review the existing method of allocating support through Ynni'r Fro and consult with stakeholders on the approach to be adopted in any successor programme.
- Continue and ring-fence the TDO support currently delivered through Ynni'r Fro.
- Create a central library of resources for community groups.
- In the short-term – continue to provide preparatory grant funding.
- In the longer-term – give consideration to introducing a contingent, revolving loan fund alongside preparatory grant funding, or supporting a loan fund for CRE in Wales introduced by another body.
- Start discussions with groups about capital finance at the earliest opportunity, and give serious consideration to the provision of additional advice and support in this area.

Consider progress towards an exit strategy and inform developments for a successor programme to Ynni'r Fro

- Continue the provision of TDO and financial support to community groups beyond the current Ynni'r Fro programme.
- Develop a transition strategy for Ynni'r Fro that gives groups certainty about future sources of support.
- Put mechanisms in place to capture learning from Ynni'r Fro, for example through learning diaries and case-studies, to inform a successor programme.

1 Introduction

- 1.1 This report presents the findings of a mid-term evaluation of the Welsh Government's Ynni'r Fro programme.

The Ynni'r Fro programme

- 1.2 Ynni'r Fro is a programme to encourage the development of community renewable energy schemes in Wales. It uses European Regional Development Fund (ERDF) funding for the Competitiveness (East Wales) and Convergence (West Wales and the Valleys) regions to provide social enterprises with support to develop their own community-scale renewable energy schemes.
- 1.3 The objectives of Ynni'r Fro are to establish or further develop social enterprises to:
- Sustain the social enterprise business model by providing an on-going income stream based on sale of energy back to the grid or community as the technologies start to generate renewable energy;
 - Build skills and experience in the development, installation, maintenance and management of renewable energy technology and expand the SME base in Wales as a consequence of installing 20 renewable energy technologies in the Convergence area and 2 in the Competitiveness area;
 - Invest in clean, renewable electricity generation technology and help demonstrate best practice in an emerging field by installing 20 renewable energy technologies in the Convergence area and 2 in the Competitiveness area.
- 1.4 The support provided through Ynni'r Fro consists of three elements:
- Advice, information and hands-on support delivered through a network of seven locally-based Technical Development Officers;
 - Preparatory stage grants of up to £30,000 to fund early stage activities to help projects get off the ground, such as environmental surveys and community engagement activity;
 - Loans of up to £300,000 or grants of up to £250,000 towards the capital costs of a renewable energy project.
- 1.5 Legally constituted social enterprises² located in Wales who are developing a renewable energy generation scheme may be eligible to receive support through Ynni'r Fro. The eligibility criteria set out in the original Ynni'r Fro business plan are as follows:

² Defined as "an organisation that, in the reasonable opinion of the Energy Saving Trust, is engaged in the carrying on of a business with primarily social purposes (other than the provision of schooling or social housing), meaning that it is involved in some form of trading, but that it trades primarily to support a social purpose (other than schooling or social housing) and seeks to reinvest any surpluses principally in the business or in the community to enable it to deliver on its social objectives".

- Projects must be based in Wales and generate energy from a renewable source;
 - Projects should be able to employ at least 1 part time employee within the first 2 years of completion;
 - Hydro schemes should expect to generate at least 240,000kWh per annum, raising a minimum gross income of £30,000;
 - Wind schemes should expect to generate at least 800,000kWh per annum, raising a minimum gross income of £70,000.
- 1.6 Ynni'r Fro began in January 2010 and is due to conclude in March 2015. It was reported in April 2013 that nearly 200 community groups had applied to the programme for support³.
- 1.7 The Energy Saving Trust (EST) is the lead contractor delivering the Ynni'r Fro Programme. The Ynni'r Fro technical development officers are subcontracted from Severn Wye Energy Agency, Ecodyfi and Awel Aman Tawe. The WCVA is also subcontracted to deliver the Ynni'r Fro capital loan provision.

The evaluation

- 1.8 The aim of the evaluation was to conduct a comprehensive mid-term evaluation of the Ynni'r Fro programme, its activity and achievements to date, as well as identifying recommendations for improvements to the programme going forward.
- 1.9 The specific objectives of the evaluation were to:
- Review the current policy environment relating to community renewable energy schemes and the history of how the community renewable energy sector has developed in Wales;
 - Identify the key needs of community groups who have engaged with Ynni'r Fro;
 - Assess the extent to which Ynni'r Fro has been able to meet the needs of the community groups it has engaged with;
 - Consider what the participants are gaining from the programme and how this is different from what they might do anyway;
 - Consider what has been done by the programme and what has been achieved so far in relation to progress towards meeting the long term objectives and its specific targets set by WEFO, including the programmes' contribution towards the cross cutting themes (equal opportunities and environmental sustainability);
 - Consider the appropriateness of the programme aims, indicators and targets;

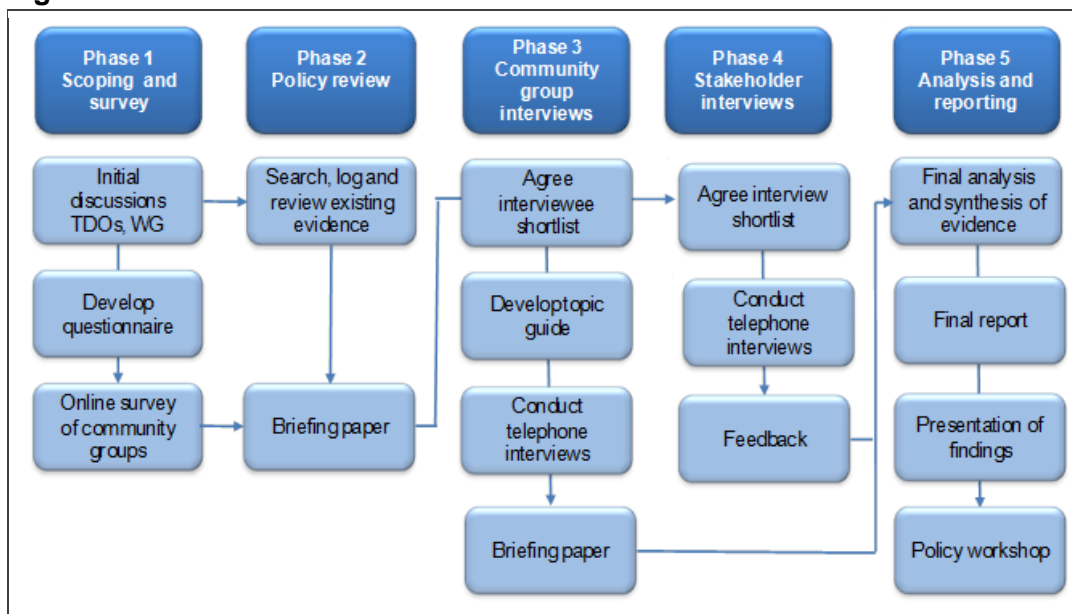
³ [http://www.assemblywales.org/bus-home/bus-chamber-fourth-assembly-rop/oag20130430.pdf?langoption=3&ttl=Answers%20to%20Questions%20not%20reached%20in%20Plenary%20\(PDF%2C%20200KB\)](http://www.assemblywales.org/bus-home/bus-chamber-fourth-assembly-rop/oag20130430.pdf?langoption=3&ttl=Answers%20to%20Questions%20not%20reached%20in%20Plenary%20(PDF%2C%20200KB))

- Review the programme delivery, management and logic;
- consider the barriers and constraints the programme has faced;
- Identify what recommendations can be made to improve the current programme and ensure it delivers on its objectives and targets within the designated time span;
- Consider progress towards an exit strategy;
- Inform developments for a successor programme to Ynni'r Fro.

1.10 The focus of the evaluation was on making a qualitative assessment of outcomes achieved so far and reviewing the processes and experiences of those engaging with Ynni'r Fro. It was not intended to systematically quantify the impacts of programme.

1.11 Figure 1 provides an overview of the different phases in the evaluation.

Figure 1 - Overview of evaluation



1.12 The four main data collection methods used in the evaluation are briefly described below and in more detail in the report annexes.

1.13 The **online survey** was undertaken to identify the characteristics of community groups that have come into contact with Ynni'r Fro, their needs, and the nature and impacts of the support they have received through the programme to date. The final achieved survey sample was 66, representing a response rate of 33%.

1.14 The objectives of the **policy review** were to chart recent developments in the community renewable energy sector prior to the introduction of Ynni'r Fro and the current context in Wales in which the programme has been operating. The review was undertaken following a structured approach based on Government

Social Research (GSR) guidelines⁴, and involved the initial identification of 85 potential sources, followed by detailed review of 30 sources.

- 1.15 The **community group interviews** were undertaken to collect more detailed and in-depth insight into the experiences groups had had of developing their community renewable energy project, and of their engagement with Ynni'r Fro. 45 groups were interviewed.
- 1.16 The objectives of the **stakeholder interviews** were to explore the perceived effectiveness of Ynni'r Fro and identify potential improvements to its design and delivery, from the perspective of a range of stakeholders. 20 stakeholders were interviewed, including representatives of organisations involved in the delivery of Ynni'r Fro as well as other external organisations.
- 1.17 The survey questionnaire and the topic guides used in the interviews with community groups and stakeholders are provided in the annexes to this report.

Interpreting the evaluation findings

- 1.18 The evaluation methodology had certain limitations which should be borne in mind in interpreting the findings. There is no guarantee that the sample of 66 community groups that took part in the online survey is wholly representative of the total population of nearly 200 groups that have come into contact with Ynni'r Fro. Respondents were also sometimes being asked to recall details and events that occurred 2 or 3 years previously. In addition, the 20 stakeholders who were interviewed was a relatively small sample, with differing perspectives and levels of knowledge of the Ynni'r Fro programme. Where appropriate, these differences are highlighted in the report.

⁴ <http://www.civilservice.gov.uk/networks/gsr/resources-and-guidance>

2 The recent history and context to Ynni'r Fro

- 2.1 This chapter briefly sets out developments in the community renewable energy sector and the key features of the contemporary context in Wales in which Ynni'r Fro currently operates. This is based on the initial policy review undertaken as part of the evaluation.

The size of the community renewable energy sector

- 2.2 The community renewable sector in the UK is growing, albeit at a slower rate than commentators have predicted, and on a smaller scale than in other European countries. Respublica (2013) report that there are currently 146 operating community renewable energy installations in the UK, generating 58.9 MW. While this is a significant increase on the equivalent figure of 4.1 MW in 2003, it still represents less than 0.5% of total UK energy produced from renewables.
- 2.3 No robust data was identified in this evaluation on the development of the sector specifically in Wales. The Welsh Government has commissioned a survey of the existing renewable energy installations in Wales to establish the baseline capacity in 2012. Previous research suggests that initiatives in Wales represent a modest proportion of activity in the UK as a whole. A 2011 web-based survey of community energy initiatives (note: this was not restricted to renewable energy schemes and also included initiatives aimed promoting energy efficiency and behaviour change) suggested that 4% of initiatives in the UK were located in Wales (Seyfang et al, 2012). It was reported in the Low Carbon Communities Challenge evaluation that “while the LCCC succeeded in attracting applications from across England, there were fewer applicants from Wales” (DECC, 2012). Equally, it is worth noting that 4 of the 12 projects that ultimately received LCCC funding were Welsh – a high proportion relative to population. More recent analysis indicates that 13 of the 146 operating community renewable energy installations in the UK are located in Wales and Northern Ireland, generating a combined 3.7MW. This compares to 83 installations, generating 33.7MW, in Scotland (Respublica, 2013).
- 2.4 There is a growing evidence-base on the challenges that community groups in the UK face in developing renewable energy initiatives:
- A lack of organisational capacity within community groups
 - Local opposition
 - Difficulties gaining planning consent
 - Difficulties raising finance – both for initial preparatory work and to meet capital construction costs
- 2.5 Previous research (Wavehill, 2011) suggests that these challenges have equally been experienced by community renewable energy initiatives in Wales.

Support for the community renewable energy sector

- 2.6 Prior to devolution and then the introduction of Ynni'r Fro in January 2010, community groups in Wales were largely reliant on support delivered on a UK-wide basis.
- 2.7 The sector in the UK has been the target of central government support from 2001, when the Community Action for Energy programme was first introduced by Defra. This has been accompanied and superseded in preceding years by further programmes of support initiated by various UK government departments and some private and not-for-profit bodies. All have generally been small-scale and offered support to a finite number of initiatives over a limited timescale. The majority offered capital funding in the form of grants and/or non-financial assistance in the form of training, guidance, advice and support.
- 2.8 The most significant recent development in the sector was the introduction of the Feed in Tariff (FiT) by the UK Government in April 2010. FiTs were intended to incentivise and enable greater investment in small-scale (under 5MW) renewable generation, by providing a fixed rate of return for energy generated by individuals, groups or organisations. It also signalled the start of a shift away from a model of government support based on grant funding towards a model based on initiatives meeting the capital costs of construction themselves, by borrowing against the future income they could generate through selling energy back to the grid.
- 2.9 The first two years of FiTs operation in the UK were dogged by issues concerning its relationship with EU regulations on the receipt of state aid. EU regulations prohibit national governments from providing financial assistance or economic support where such intervention may distort competition and affect trade between EU member states. The European Commission decided in April 2010 that the UK FiT regime constituted state aid. The implications for community renewable energy initiatives were that groups could not be in receipt of both grants and FiTs, albeit with some ambiguously defined exemptions. Then ensued a series of clarifications and reviews, which created a high degree of confusion and uncertainty for government grant-giving programmes and community groups that were potential recipients of a government grant. This was reported in the LCCC evaluation (DECC, 2012), and the initial research with Ynni'r Fro TDOs (Wavehill, 2011). Funding through the Ynni'r Fro programme was suspended for the first 18 months of its operation whilst these issues were being clarified.
- 2.10 While commentators have been critical of the handling of these issues by the UK government, there is an expectation that as policy and the industry 'settle down', FiTs can still perform the role they were intended for. Recent evidence (for example DECC, 2012 and Seyfang et al, 2012) suggests that community groups are increasingly orientated towards financial self-sufficiency and independence from short-term grant funding, and FiTs is seen as enabling this. It is also hoped that the Renewable Heat Incentive (RHI), introduced more

recently than FiTs, will perform a similar role in kick-starting the growth of community heat projects.

- 2.11 The introduction of FiTs and RHI has been followed by further UK government programmes of support (including LEAF and the new Rural Communities Renewable Energy Fund) which no longer offer capital grants. Instead they provide financial support in the form of grants for pre-installation work and/or competitive rate capital loans, which initiatives can receive and still qualify for FiTs. In other respects these programmes represent a continuation of those that have gone before them, in that they are time-limited and only resourced to provide support to a finite number of initiatives. Various programmes and organisations also offer packages of non-financial advice and support (e.g. Carbon Leapfrog). A Community Energy portal has also been established by the UK government and there are several other web based sources of advice and guidance including Community Pathways, the Source and PlanLoCal. The Community Shares Unit provides advice to communities around raising finance and publicises share offers through their website. Face-to-face support for community energy action is provided from a range of sources, though some is geographically constrained and most is resource constrained, limiting capacity to meet demand. Peer mentoring is also growing as an approach with initiatives like the Low Carbon Hub and REconomy.
- 2.12 Financially there has been support from the UK government for the expansion of the social capital market for community renewable initiatives. Big Society Capital was launched in 2012 and this has given initiatives access to loans through the Community Generation Fund and the Pure Fund (recently merged with Carbon Leapfrog), though these funds are at the moment relatively small in size. The Co-op Bank, Triodos and Charity Bank have also all either lent or expressed interest in lending to community initiatives although the Co-op Bank has moved away from lending in this space as a result of the wider financial issues affecting the bank. There are also some sources of social investment that are looking at this sector, including CAF Venturesome, Bridges Ventures, Big Issue Invest, though again the scale of funds available is low. However, it is generally felt that the market for debt provision in this sector is still undeveloped and the level of finance available is currently very low. The UK Government recently convened a finance roundtable as part of their work in developing a Community Energy Strategy.
- 2.13 Contemporary commentators point to on-going failings and limitations in the support for UK community renewable initiatives. Key recurring themes are the lack of continuity and coherence in provision, and the limited scale of the financial and non-financial support available:

"In policy terms, the UK lacks a comprehensive and integrated framework of support for CCE schemes." (Co-op, 2012)

"Government has launched a range of schemes which offer financial support for community energy projects, although such schemes have often been ad

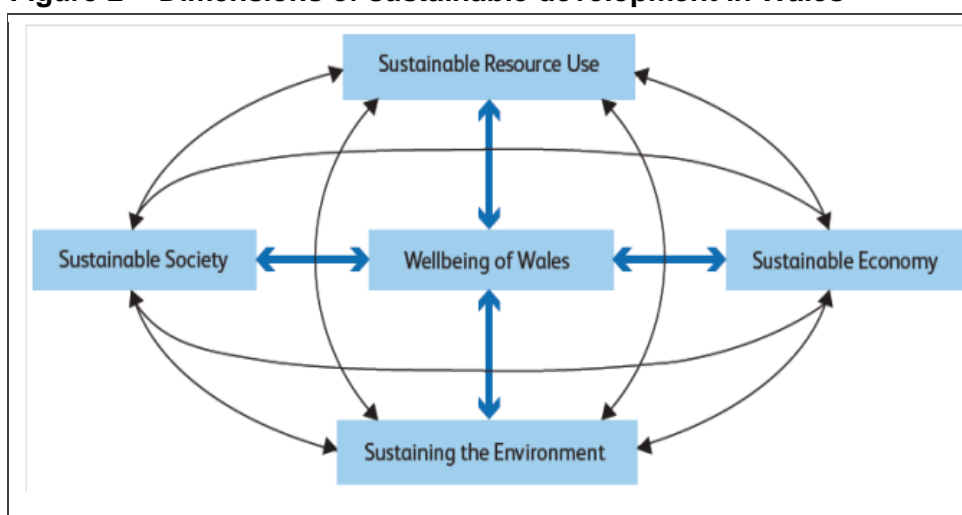
hoc and have not always amounted to a coherent programme.” (DECC, 2013)

- 2.14 The UK government intends to publish a Community Energy Strategy in December 2013, which it is hoped this will address these criticisms. A Call for Evidence issued by DECC earlier this year intended to feed into this strategy received a high response. An evidence review of community energy projects published by DECC alongside the Call for Evidence highlighted the value of community energy but emphasised the mixed quality of the evidence base. Monitoring and evaluation is resource intensive and challenging for communities to carry out without support, particularly when it is often not a priority emphasised by community energy support programmes.

Current policy context in Wales

- 2.15 A feature of the political discourse around community renewable energy has been an expectation that the sector can deliver benefits in multiple policy areas – i.e. not just clean energy but also wider benefits to the communities in which initiatives are developed. For example, in 2010 an explicit link was drawn by the then UK Climate Change minister Greg Barker between community renewable energy and “Big Society”. In Wales, community renewable energy has been posited within the broader frame of sustainable development. In 2009, ‘One Wales: One Planet’ set out an integrated strategy for delivering sustainable development in Wales. One of the stated objectives of the strategy is that “more of our energy is produced at a community level close to where it is used and we are self-sustaining in renewable energy.”

Figure 2 - Dimensions of sustainable development in Wales



Welsh Government (2009) 'One Wales: One Planet. The Sustainable Development Project of the Welsh Assembly Government', Welsh Government.

- 2.16 Seen through this lens, community renewable energy in Wales is interlinked with a range of other economic, social and environmental policy objectives. This is partly reflected in the stated objectives of Ynni'r Fro which include targets for job creation as well as targets for energy generation.

- 2.17 Ynni'r Fro is the first programme of support targeted specifically at community renewable energy initiatives in Wales. The design of Ynni'r Fro can be seen to have some positive features in comparison to equivalent UK-wide programmes:
- It has a longer time-scale, five years, over which support will be provided to community initiatives.
 - It offers financial support for both the early preparatory stages of development and funding towards the costs of installation. The latter was initially intended to be through capital grants, but following the FiTs and EU state aid issues, is now in the form of commercial-rate loans.
 - It aims to provide national coverage, through its regionally based Technical Development Officers who have a broad remit in terms of the type of advice and support they provide.
- 2.18 Community groups in Wales can qualify for FiTs, although under the terms of devolution, the Welsh Government has no direct control over its eligibility criteria or tariff levels.
- 2.19 Planning Policy Wales was updated in 2011 to provide guidance to local planning authorities (LPAs) on renewable energy projects. The guidance states that renewable energy projects should generally be supported, “provided environmental impacts are avoided or minimised, and nationally and internationally designated areas are not compromised.” (Welsh Government, 2011).
- 2.20 It was reported in 2012 that the then Environment Agency had taken steps to improve its approach to regulating small scale hydropower projects. This included putting in place account managers for projects and developing a ‘yes if’ approach to regulation. It was also reported that the formation of Natural Resources Wales will “have major advantages in terms of simplifying and streamlining the consent process” (Welsh Government, 2012).
- 2.21 In 2012, Renew Wales, a practitioner-led programme to support community groups interested in environmental projects was created. Its aims are to help 200 community groups tackle the causes and impacts of climate change through advice, training, mentoring and technical support from people who have already delivered projects in their communities. The programme has initially been funded for two years through the Big Lottery Fund. In 2012 a new network, Community Energy Wales, was also launched to support community initiatives and provide a “single unified voice” for the sector in Wales. The network’s website reports that “we will be looking to develop sustainable financial mechanisms, such as revolving loan funds”. The network is being supported by a number of bodies, including Groundwork, WCVA and Cynnal Cymru.

3 Characteristics of groups that have come into contact with Ynni'r Fro

- 3.1 This chapter summarises findings on the characteristics of groups that have come into contact with Ynni'r Fro, drawing mainly on the online survey results. The full results are provided in the annexes to this report.
- 3.2 Overall, the picture is one of diversity, and generally low levels of organisational capacity and relevant previous experience. Most groups were also in the early stages of developing their community renewable energy project when they initially submitted an expression of interest to receive support through the programme.

Organisational characteristics

- 3.3 There was a fairly even split in the survey between 'traditional' community organisations on the one hand and social enterprises on the other. Registered charities represent over a quarter of the sample and "other community groups" also around a fifth. Different forms of social enterprise amount to just over a half of the sample, with "companies limited by guarantee" being the most common. Groups were also diverse in terms of how well established they were. Around two-thirds said they had been running for more than 5 years. Equally, just over a quarter said they had been running for 2-3 years, 1-2 years or less than a year. Around a half of groups described their aims and activities as 'community regeneration' and several of the 'other' responses could be described as general activities to support or serve a local community.

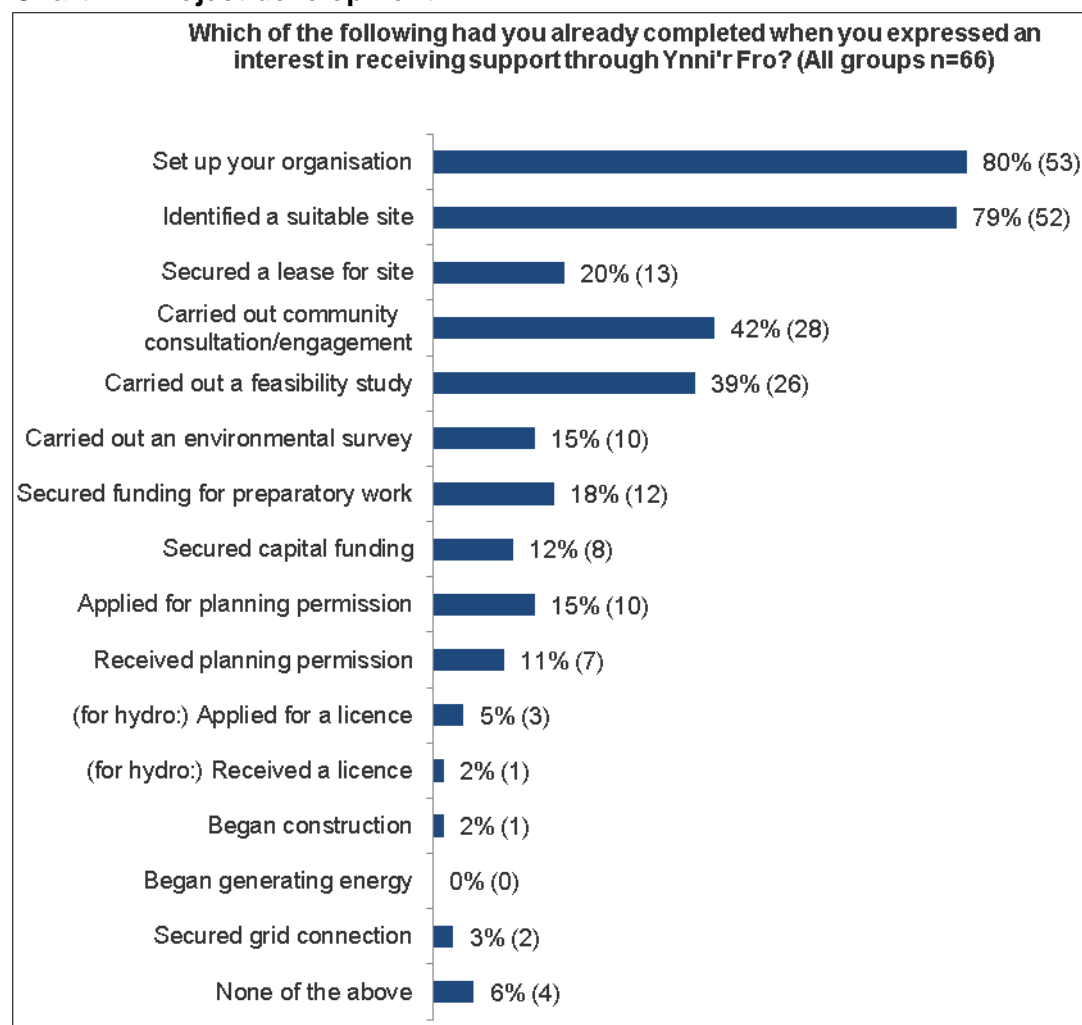
Capacity and experience

- 3.4 Around a half of groups in the survey had no paid staff, and that even amongst those who did, this was generally only a small number, i.e. 1 to 5. Most groups in the survey did report having unpaid volunteers, and that they generally had more of these than they did paid staff. However, in the follow-up interviews, the time volunteers could devote to the organisation generally and the development of a community renewable energy project was often described as limited.
- 3.5 More than two-thirds of groups said they had "a reasonable amount" or "a lot" of experience of running community projects, compared to less than a quarter who reported having this level of experience in renewable energy generation. In addition, only a minority said they had specific experience of running a community renewable energy initiative in the past. What also came through strongly in the interviews was that the development of a community renewable energy project posed different and more wide-ranging challenges than the kinds of community projects most groups were accustomed to delivering.

Project development

3.6 Chart 1 illustrates what stage in the development of their project groups said they were when they expressed an interest in receiving support through Ynni'r Fro.

Chart 1 – Project development



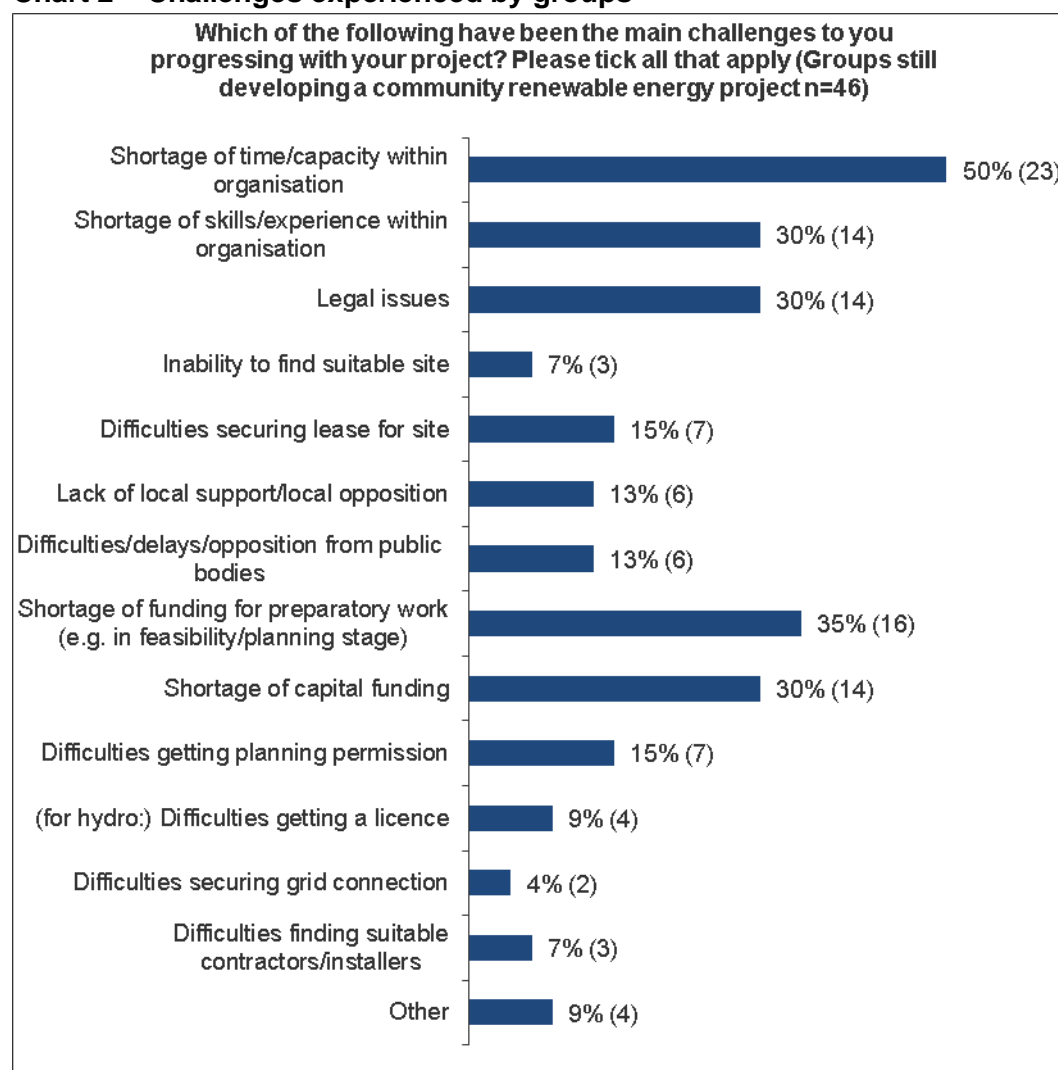
3.7 The survey findings illustrate that most groups were still in the early stages of developing their project at the point they initially came into contact with Ynni'r Fro. While the majority had set up their organisation and identified a suitable site, less than half had carried out community consultation/engagement or a feasibility study, and progressively smaller proportions had completed further stages such as securing funding for preparatory work or applying for planning permission. There are also a minority who said they had already received planning permission, and even in one case begun construction. The follow-up interviews suggest these were groups that were ultimately judged ineligible for Ynni'r Fro (due their small size or organisation type) and had not gone on to receive any substantive support through the programme.

- 3.8 What was also clear from the follow-up interviews was that some groups had spent a number of years prior to their engagement with Ynni'r Fro just to get their project up to stage in their development they had reached at this point. It was not uncommon, for example, for groups to report that they had started their project around the time of the millennium. This underlines the long time-scales often inherent in the development of community renewable energy initiatives – something by no means unique to Wales.

4 The needs of groups that have come into contact with Ynni'r Fro

- 4.1 This chapter brings together evidence from the evaluation on the needs of community groups that have come into contact with Ynni'r Fro, drawing on the research undertaken with groups and stakeholders.
- 4.2 In the online survey, all groups that were still developing a community renewable energy project were asked what had been the main challenges to progressing their project. The results are displayed in chart 2.

Chart 2 – Challenges experienced by groups

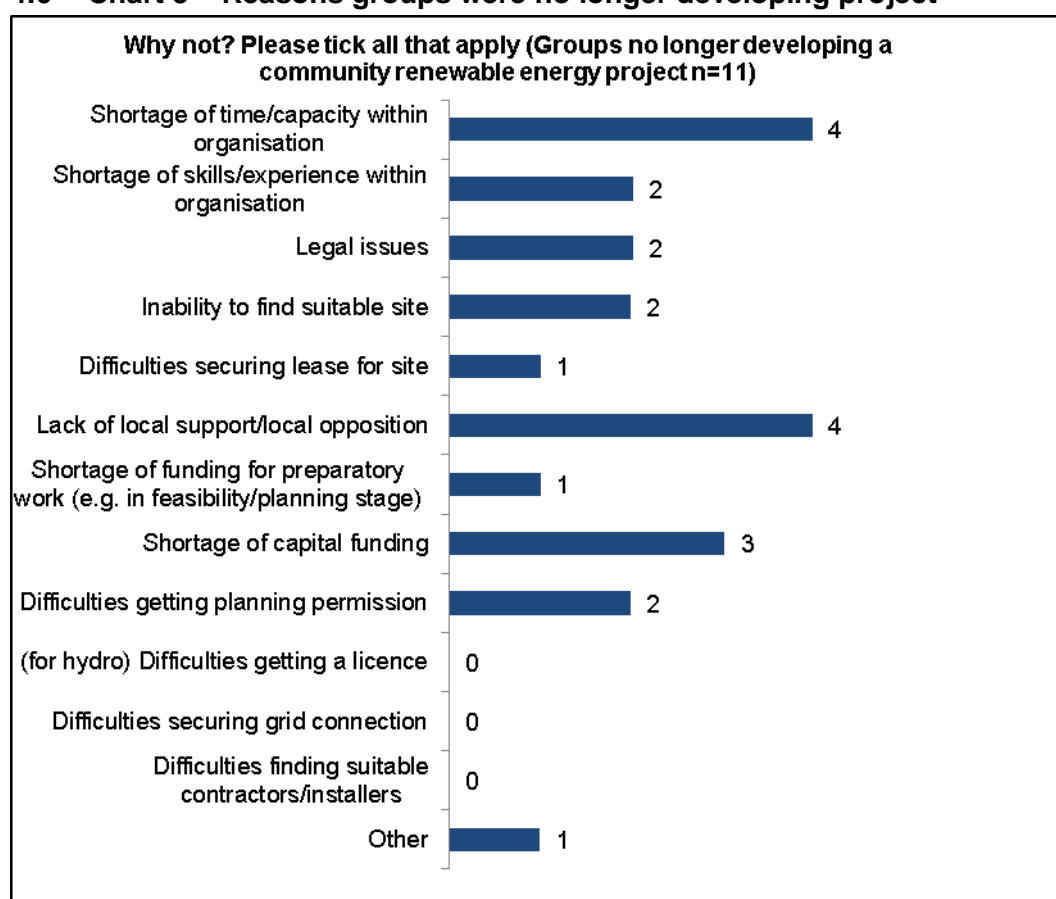


- 4.3 In interpreting these results it is important to bear in mind that most groups were in the relatively early stages of their development when they expressed an interest in receiving support through Ynni'r Fro, and at the time of the survey, the majority were still yet to submit a planning application. Consequently, difficulties associated with securing planning permission,

accessing capital finance, construction and securing a grid connection may not have been identified as challenges simply because groups haven't progressed to these stages in their development yet.

- 4.4 It should also be noted that one of the challenges in the chart 2 – “Difficulties/delays/opposition from public bodies” – was not a response option that respondents were prompted within the survey. However, several groups specified this as a challenge under the “Other” response option, and these have responses have subsequently been separated out as a distinct challenge in the presentation of the results.
- 4.5 The 11 groups in the survey that said they were no longer developing a community renewable energy project were also asked why this was, and their responses are illustrated in chart 3.

4.6 Chart 3 – Reasons groups were no longer developing project



- 4.7 The following sections discuss the main challenges highlighted in the survey in more depth, drawing on other findings from the survey, the follow-up interviews with groups and stakeholder interviews.

Capacity issues

- 4.8 “Shortage of time/capacity within organisation” was identified as a challenge by a half of groups still developing a project, and 4 of the 11 groups that were no

longer developing a project also cited it as a reason for this. In the follow-up interviews, groups also highlighted this as a key challenge. Partly this was attributed to the limited number of paid staff and/or unpaid volunteers their organisation had (see chapter 3) and partly to the sheer amount of time they had found that undertaking the different processes, tasks and activities involved in developing a community energy initiative entailed. As an example, one interviewee estimated that he had personally spent over 900 hours just to progress the project he was involved in to the planning application stage. On a more general level, interviewees talked about feeling “daunted” or “overwhelmed” by the amount of work involved. Stakeholders involved in the delivery of Ynni'r Fro also emphasised the scale of the time-commitment involved and voiced some on-going concerns that individuals within groups may “burn out” because of these pressures.

- 4.9 It was not just smaller community groups that cited this as a challenge. Some groups with more than 10 paid staff still cited capacity issues as one of the main challenges they had experienced in progressing their project. Developing a community renewable energy project appears to be an intrinsically resource-intensive process, requiring a significant investment of time, generally by a small number of individuals within a group. Irrespective of their size, most groups said that only 1 or 2-4 individuals were actively involved in working on their community renewable energy project, and they were often doing so alongside other roles and responsibilities. In at least one example, the retirement of an individual from an organisation had ultimately resulted in a project being abandoned.

Skills and experience

- 4.10 In the survey, this was cited as a challenge by nearly a third of groups still developing a project and by 2 of the 11 groups that were no longer developing a project. Several groups also gave particular emphasis to this as a barrier in the follow-up interviews. Developing a community renewable energy project was seen to require skills and experience across a diverse number of areas. These included: general knowledge of processes and stages involved, project management skills, technical knowledge, experience of community engagement, legal expertise, and awareness and experience of applying for funding.
- 4.11 While groups commonly had pre-existing experience to draw on in one or two of these areas, they rarely felt they had them all. Groups that did not have any prior experience of developing a community renewable energy project often said they found it “completely different” to their previous experiences of running community projects unconnected with renewable energy. Personal experience of installing PV panels at home was also felt to be of limited value in preparing individuals for the “enormity” and “complexity” of developing a community renewable energy project. Stakeholders felt the groups most able to cope with these challenges were well-established ones with a track-record in delivering community-based projects. These tended to have organisational processes

already in place (e.g. regular board meetings, decision-making protocols) which others often lacked.

Local opposition

- 4.12 This was cited as a challenge almost exclusively by groups attempting to develop a wind project. Several groups now developing hydro projects also said they had considered and discounted developing a wind project at an early stage, because of the expectation that it would arouse local opposition.
- 4.13 Where local opposition was experienced, it typically represented a significant challenge, and 4 of the 11 groups that were no longer developing a project cited it as the reason for this. In the follow-up interviews, groups also described the difficulties they had encountered in trying to overcome sometimes vociferous local opposition. Equally, not all groups developing wind projects reported the same level of local opposition. With what is a small sample size it is difficult to tease out what differentiated these projects from those that had. One interviewee suggested that this was simply a reflection of the makeup of different local communities – with some being more open to the idea of wind turbines than others. Another interviewee indicated that, because their group was already well known in the local community and delivered a number of local services, this had meant there was greater acceptance of their development of a wind project. It was also suggested that members of local communities are more likely to be accepting of renewable energy projects in general if they are given the opportunity to buy into it (i.e. through a share issue) although as most projects have not reached the stage in their development where this is a tangible opportunity, this remains largely untested.
- 4.14 Some stakeholders, specifically TDOs, also had personal experience of working with groups that had encountered local opposition. Their comments largely echoed those of the groups themselves. They pointed to an existing, even growing, antipathy to wind power in parts of Wales.

Securing planning permission

- 4.15 This was cited as a challenge by 15% (7) groups amongst those still developing a project, and a similar proportion gave this as a reason why they were no longer developing a project. However, it is worth reiterating that most groups hadn't yet applied for planning permission when they first engaged with Ynni'r Fro, and still hadn't when this research took place. Amongst those that had progressed this far, obtaining planning permission for their project was consistently described as problematic. Stakeholders also highlighted this is key barrier, not just for groups being supported by Ynni'r Fro but across the community renewable energy sector as a whole.
- 4.16 Firstly, it was reported that the information groups received from LPAs was often inconsistent. For example, groups had initially been told at the pre-planning application stage that their project would have to adhere to certain

design requirements to receive approval, only for these requirements to be changed when they applied for planning permission. This was reported to add to the costs and timescales of the projects and/or reduce the energy (and subsequent income) they would generate. The knock-on impacts of this on the financial viability of projects had in at least one case led to a group abandoning their project entirely. Other groups had been told they would have to undertake certain surveys to support their planning application, only to be told that more or different surveys were required at a later date, which again created delays and additional costs.

- 4.17 Secondly, groups were critical of the time it took for LPAs to reach decisions on planning applications. One interviewee said their group had submitted their application seven months previously, and were still waiting for a response. Another said his group had submitted their original application over a year ago, and after two rejections was currently preparing a further appeal. Such groups consequently felt they were left in a state of limbo – unsure about whether their project would go ahead, and if so on what scale and with what restrictions. As such they were unable to begin discussions with potential lenders about accessing capital finance.
- 4.18 Groups and stakeholders had mixed views on why projects were encountering these issues. Local planning officers were described as being often over-worked and having limited experience of community renewable energy projects. It was suggested that officers were not able or willing to consider the potential social and economic benefits of projects alongside other considerations such as visual or ecological impact. National planning guidance was also criticised for not giving strong enough or clear enough support for community renewable energy. Representatives of LPAs were invited to be interviewed as part of this evaluation but declined or were unable to take part. However, one other stakeholder who was interviewed suggested the feedback they had heard from planning officers was that the quality of applications from community groups has been poor, and haven't included sufficient information to justify planning permission to be granted.

Approval from other public bodies

- 4.19 Despite not being a response option in the survey, several groups specified "Difficulties / delays / opposition from public bodies" as a challenge under the "Other" response option. In the follow-up interviews with groups and interviews with stakeholders it also emerged as a significant challenge. The public bodies concerned were NRW, and also previously the individual agencies, notably the EA, that preceded NRW's formation. These challenges are largely analogous to those discussed above in relation to local planning authorities. For example, it was reported that NRW had exacerbated the costs and timescales of hydropower projects by requiring additional and extensive surveys, tests or consultations – to the extent that one interviewee felt NRW had "blocked them at every turn". In addition, groups reported that restrictions had been imposed by NRW on their proposed hydropower project had reduce the energy (and

subsequent income) they would generate. This was again seen to have knock-on impacts on the financial viability of projects – for example one interviewee said that this had effectively halved the scale of their project. Information provided by individual NRW officers was also reported to be inconsistent.

- 4.20 Groups voiced their frustration that, despite the Welsh Government providing support for community renewable energy projects through Ynni'r Fro, an agency funded by the Government was making the process of developing such projects significantly more challenging than it might otherwise be.

Preparatory funding

- 4.21 Over a third of groups in the survey identified a shortage of preparatory funding as one of the main challenges they had experienced. Groups typically described needing funding for a number of stages in the development of their project, most notably to meet the costs of feasibility studies, various types of surveys and public consultation activities. There were also additional costs associated with the planning and consent process which, as described above, could easily escalate. Groups reported having limited ability to fund these activities themselves, and limited awareness of where they could access external funding, other than through Ynni'r Fro.
- 4.22 Stakeholders also reported that the costs of a community group developing a renewable energy project from inception to completion of the planning process were substantial. Estimates ranged from £50,000 to £120,000, with hydro projects towards the bottom of this range and wind projects towards the top. The extent to which the preparatory funding provided through Ynni'r Fro has enabled groups to meet their funding needs is discussed in chapter 7.

Capital funding

- 4.23 In the survey, a perceived shortage of this funding was identified as a challenge by 30% (14) of the groups in the survey that were still developing a project, and by a similar proportion of those no longer doing so. Other factors suggest this may, if anything, understate the challenge that accessing capital finance is likely to present to groups in the future. Firstly, most groups hadn't yet got to the stage of seeking capital finance for their project. Secondly, several stakeholders that were interviewed, which included representatives of the financial sector, were pessimistic about the prospects of groups securing this finance.
- 4.24 Groups were generally seen to have the following options:
- **A share issue.** Some groups were actively exploring this option and (as reported in chapter 3) had already changed the legal status of the organisation in order to enable it. But more generally share issues weren't seen as a viable option in large parts of Wales, where local communities didn't have the personal wealth to invest significant amounts in a project.

- **Entering a joint venture.** At least one group was reported to have entered into a joint venture with a private developer. Other groups, in the follow-up interviews, indicated they were reluctant to go down the route of a joint venture because it would potentially reduce the benefits to themselves and the communities they represented. Most expressed a preference for raising capital finance through methods that enabled them to retain sole ownership of their projects.
- **Loan finance.** Several groups cited this as a potential source of capital they intended to look into in the future. Exceptionally, some stakeholders thought groups would find it “easy” to access a loan once they had been granted planning permission. More frequently, stakeholders highlighted a series of barriers to groups doing this. Commercial banks were reported to be unlikely to consider loans of below £5m – well above the scale of the projects currently being supported through Ynni'r Fro. While there are some lenders specifically orientated towards community groups, these generally only consider loans of £1-1.5m. It was thought that some of the larger projects currently being supported through Ynni'r Fro would be looking for a loan of this size but others would not. The recent withdrawal of Co-op from the sector was also seen as a blow, and in general there was perceived to be a shortage of lenders and “financial products” for groups of the type being supported through Ynni'r Fro. From their perspective, lenders perceive giving a loan to a community group as both time-consuming and potentially risky. Community groups are perceived as lacking detailed financial knowledge but equally it was also acknowledged that there is currently a lack of knowledge and experience amongst lenders of the community renewable energy sector. In addition, there were groups that said concerns within their organisation about capital finance had already stalled, or led to the abandonment, of their project. This was not so much because of an inability to access this capital but more to do with the potential risk this would expose their organisation to. One interviewee describe how the board of directors in his organisation had “got cold feet” when they had been told the scale of capital investment required and soon after “pulled the plug” on the project.

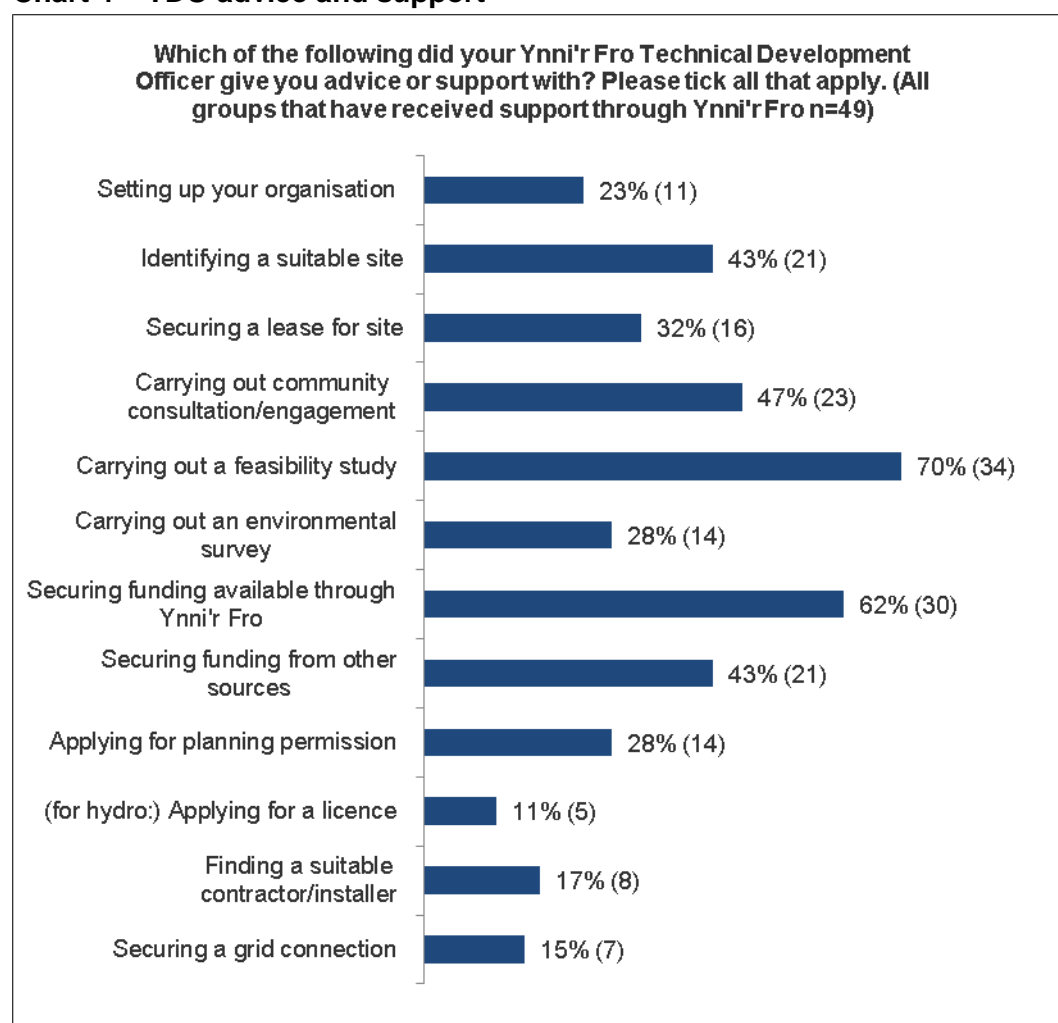
5 Nature of support delivered to groups through Ynni'r Fro

5.1 This chapter describes the support that community groups have received through Ynni'r Fro to date and the support that they anticipate needing in the future. This is based primarily on the findings from the online survey and follow-up interviews with the groups.

Support provided by TDOs

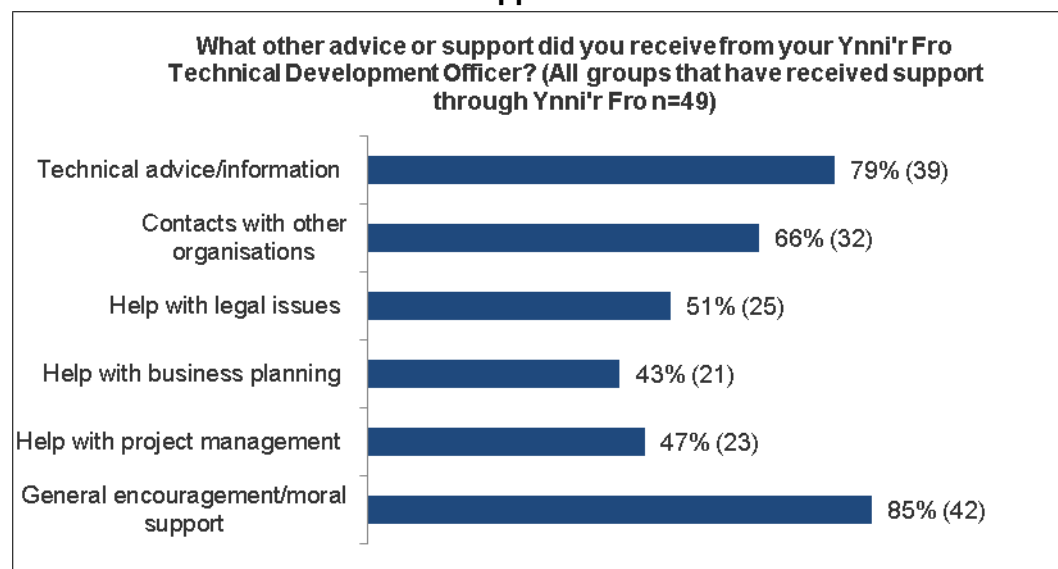
5.2 In the online survey, groups were asked whether they had received support from a TDO with different aspects of developing their project. Again, it is worth bearing in mind that the responses to this question (displayed in chart 4) partly reflect where groups were in the development of their project when they came into contact with Ynni'r Fro. Stages associated with initial project development (e.g. identifying a site, securing preparatory funding, carrying out community engagement and feasibility studies) were the things most groups reported receiving support with.

Chart 4 – TDO advice and support



5.3 Groups were also asked about the more general types of advice and support they had received from a TDO.

Chart 5 – Other TDO advice and support



5.4 Overall, these results illustrate the breadth of the support that Ynni'r Fro, through the TDOs, has been delivering to community groups. In the follow-up interviews, groups often simply said that their TDO had helped them with “everything” in the development of their project to date.

5.5 The follow-up interviews provided more detailed insight into the support that TDOs were providing to groups. TDOs were praised by interviewees for a number of qualities they brought to the role, most notably their knowledgeability, communication skills, impartiality and enthusiasm. In addition, TDOs were described as performing a diverse range of roles in the course of supporting groups:

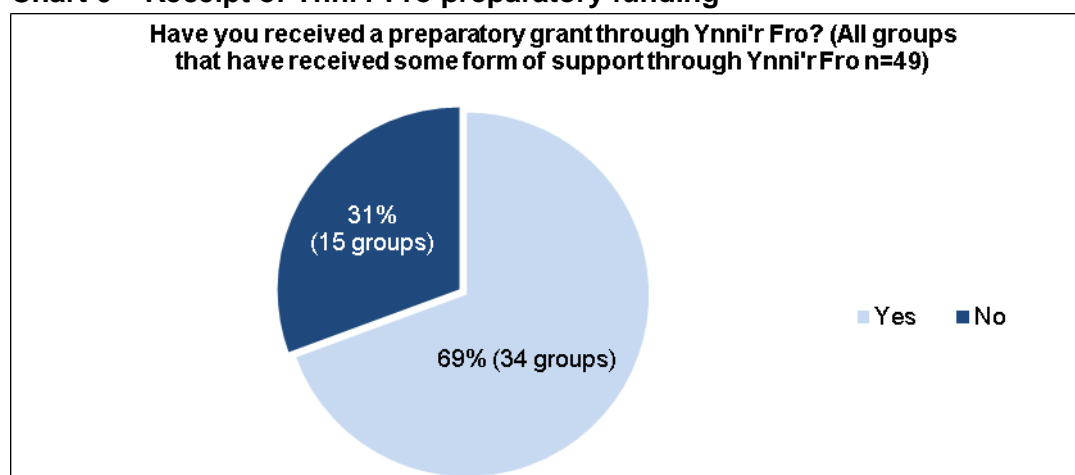
- **Guide-Mentor.** Groups often said their TDO had given them intensive “hand-holding” in guiding them through the different stages in the development of their project, particularly early on. Over time this had typically evolved into more of a mentoring role, with the TDO increasingly handed over the reins to the group as they have gained more confidence and knowledge, while still being there for them when they need guidance or support.
- **Teacher.** Groups also emphasised the learning they had gained from their TDO, which they felt would stand them in good stead in the future. Even if their current project failed, they felt they could make valuable use of what they had learned in a future project or projects.
- **Translator.** As well as understanding the language community groups used, TDOs were valued for their ability to “speak the language” that other public bodies used. Groups felt this was particularly valuable in the submission of applications for approval and/or funding.

- **Intermediary.** Several groups said their TDO had put them into contact with valuable contacts in the wider community renewable energy sector. There were also several reports of TDOs having facilitated peer-to-peer learning between community groups.
- **Advocate.** This was one TDO role where there was a degree of ambiguity. Groups commonly reported that TDOs had accompanied them to meetings with other parties (e.g. landowners, local planning authorities). Some said their TDO had done so mainly in the role of translator – to make sure the group and the other party understood one another and were on an equal footing. Others suggested their TDO had played more of an advocacy role, in “arguing their case”, and there were those indicated they would have liked their TDO to be more of an explicit advocate for their project.

Preparatory funding

5.6 Over two-thirds of the groups in the survey said that they had received Ynni'r Fro preparatory funding.

Chart 6 – Receipt of Ynni'r Fro preparatory funding



5.7 The follow-up interviews suggest the main types of activities this funding was being used for to date were to meet the costs of commissioning feasibility studies and environmental surveys. Data was not collected through the survey on the level of Ynni'r Fro preparatory funding groups had received. The stated maximum an individual group can receive is currently £30,000. However, stakeholders involved in the delivery of the programme were aware of instances where this has been exceeded. The extent to which Ynni'r Fro preparatory funding is able to fully meet the needs of community groups developing a renewable energy project is returned to in chapter 7.

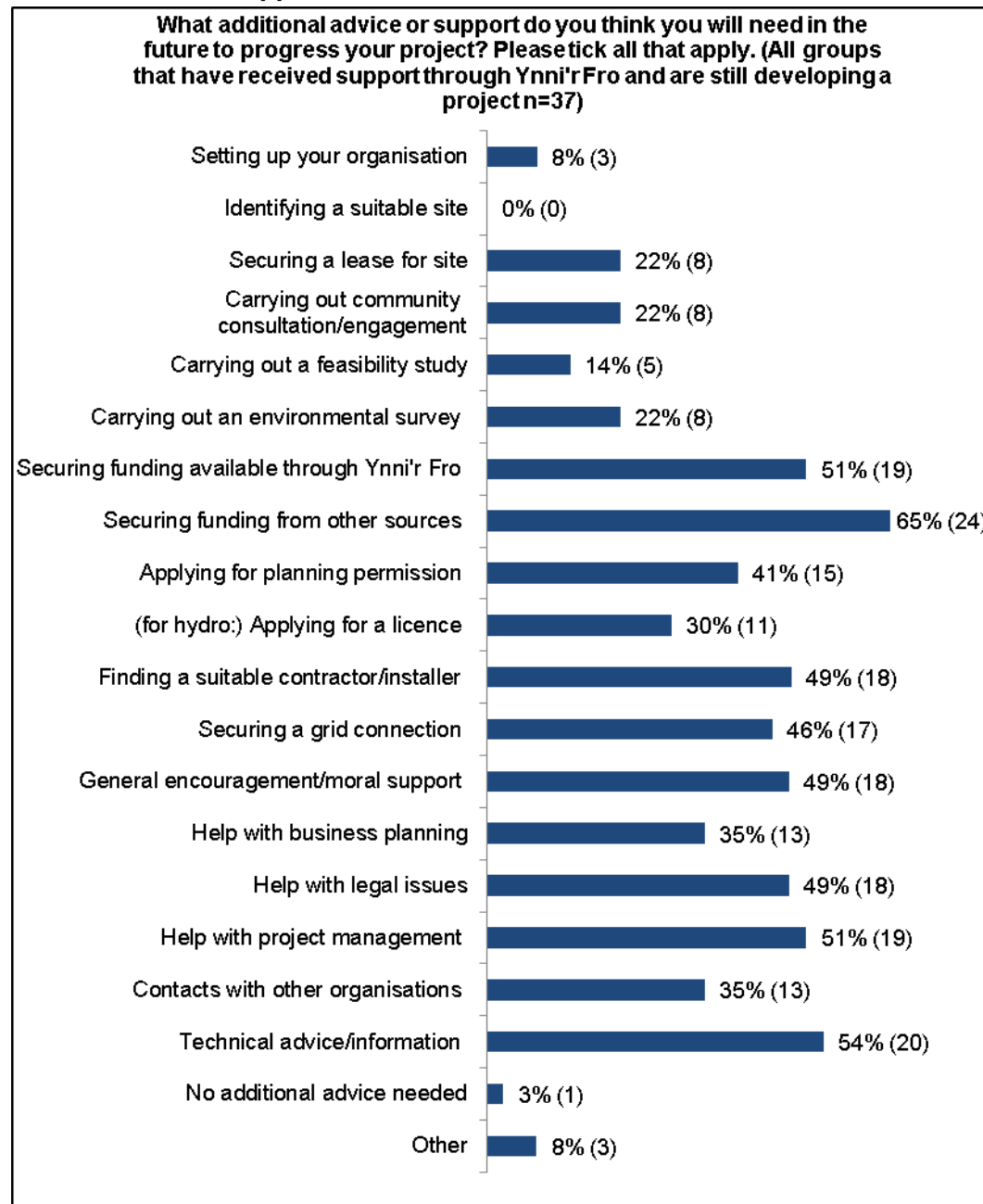
Capital funding

5.8 At the time of this research, no groups had yet reached the stage in their development where they were in a position to apply for an Ynni'r Fro capital loan.

Future support needs

5.9 In the online survey, groups were also asked about what support they thought they would need in the future, to continue the development of their project.

Chart 7 – Future support needs



5.10 The findings illustrate that groups still anticipate needing a variety of support to progress their project through to completion. Only 3% (1 respondent out of 38) thought they would not need any further advice or support. Two-thirds thought they would need support with securing funding from sources other than Ynni'r Fro, while around a half also thought they would need support with secure

funding through Ynni'r Fro, applying for planning permission and finding a suitable contractor/installer. There also appears to be an on-going need for other types of advice and support such as general encouragement and help with project management. This was echoed in the follow-up interviews, in which less experienced groups often said they hoped their TDO would be able to provide them with support “every step of the way” as their project progressed. Advice and support with securing funding was also a recurrent theme in the follow-up interviews – both with respect to funding for further preparatory work and capital funding. It was clear from the survey and follow-up interviews that many groups anticipated needing more preparatory funding to progress their project. Three-quarters in the survey said they intended to apply or re-apply for an Ynni'r Fro preparatory grant in the future, and the same proportion also said they intended to apply for an Ynni'r Fro capital loan.

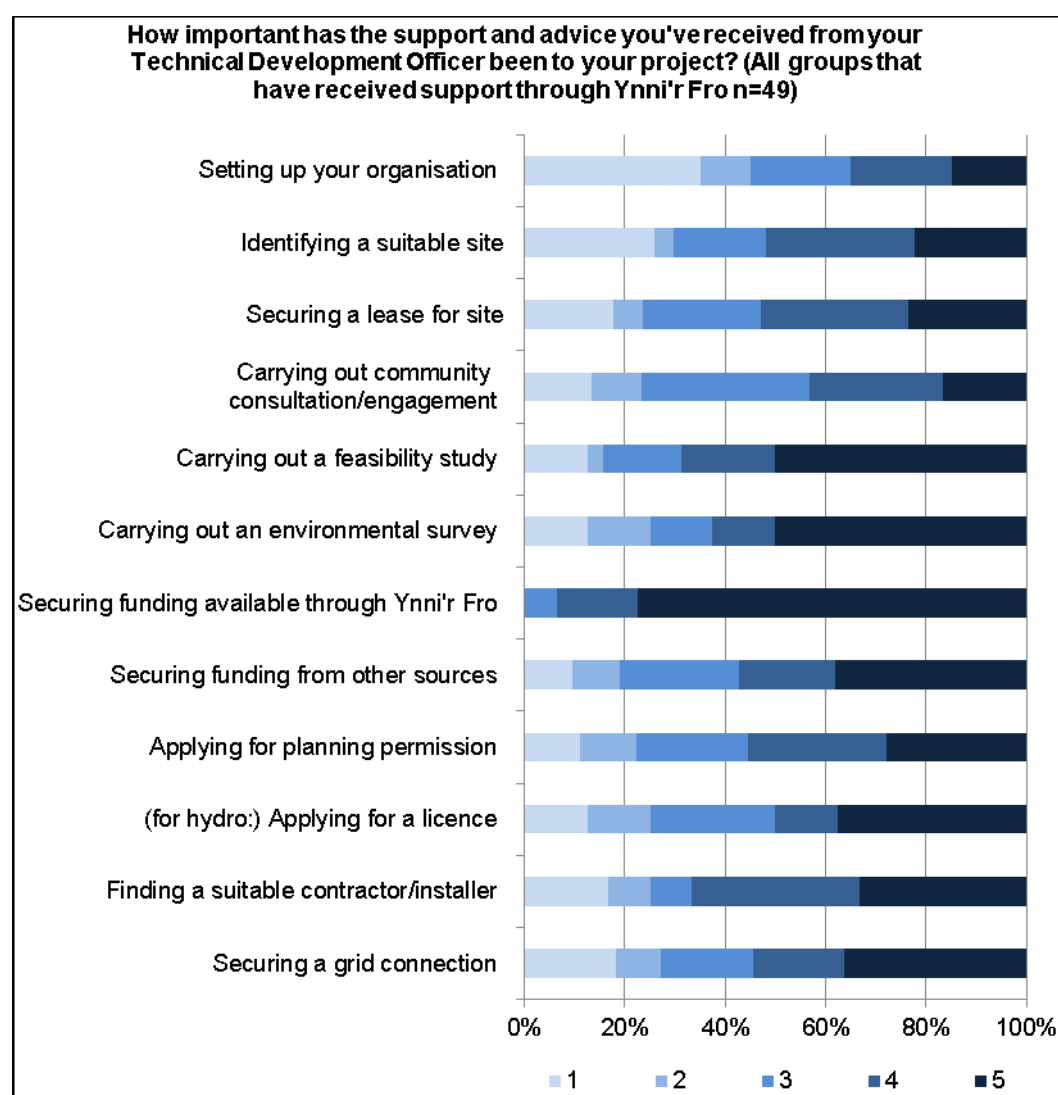
6 Impacts of Ynni'r Fro

- 6.1 The purpose of the mid-term evaluation was not to systematically quantify the impacts of Ynni'r Fro. However, the findings from the different strands of the research do provide indications of the nature of the programme's impacts to date and the overall rate of progress towards achieving its stated objectives. This first section in this chapter focuses on the impacts of the programme on the individual projects it has supported. The second section addresses the perceived impact of the programme as a whole.

Impacts at an individual project level

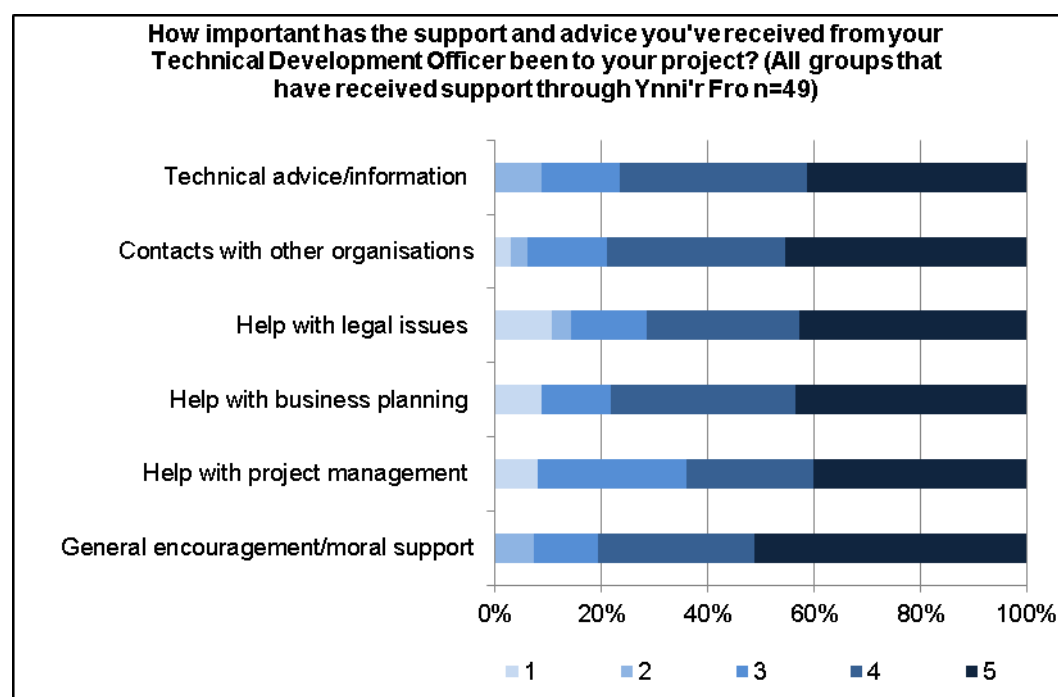
- 6.2 In the online survey, groups were asked to rate the importance of the Ynni'r Fro support they had received on a five point scale, where 1 signified "it was a help but we could have managed without it" and 5 signified "it was crucial, we could not have continued without it."

Chart 8 – Importance of TDO support and advice



6.3 Groups were also asked to rate the importance of the more general advice and support they had received, on the same 5-point scale.

Chart 9 – Importance of other TDO advice and support

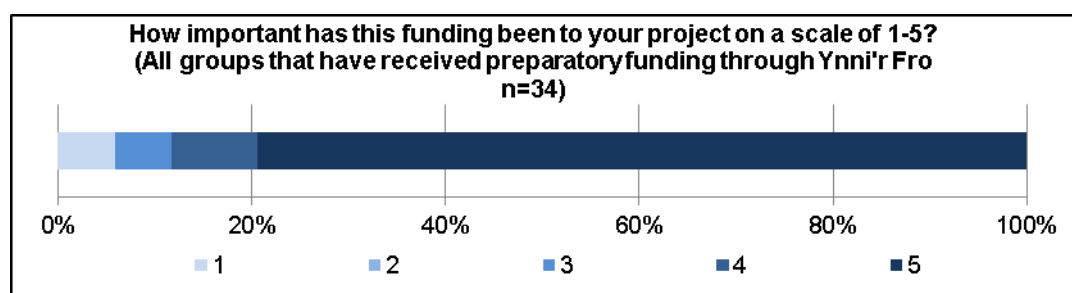


6.4 These results indicate that all the types of advice and support that TDOs provided have been important to the groups that had received them. Over half gave a rating of 3, 4 or 5 out of 5 for each of the types of advice and support. In terms of their relative importance, support and advice with “securing funding available through Ynni'r Fro” was considered the most important – over three-quarters of groups that had received this support rated in 5 out 5. This was a reflection of the importance of the funding itself (see below) and also groups’ sometimes limited awareness and knowledge of how to access and apply for financial support. Support and advice with carrying out a feasibility study and environmental study was also ranked highly, as were all the types of more general advice and support illustrated in chart 9.

6.5 This is consistent with follow-up interviews, in which groups emphasised the importance of the support they had received from their TDO to the on-going development of their project. More often it was the combination or totality of this support that they thought in terms of, rather than one specific aspect of it. Several interviewees readily said that their group would have “given up” or “could not have managed” without this support.

6.6 The majority of groups that have received preparatory funding through Ynni'r Fro also said this funding had been crucial to the development of their project. Most rated its importance as 5 out of 5 and very few gave it a rating of less than 3 out of 5.

Chart 10 – Importance of Ynni'r Fro preparatory funding



- 6.7 Overall, these findings suggest that Ynni'r Fro is having an important, positive impact in the development of the individual projects it is supporting. In particular, the often intensive support that TDOs have provided appears to have been effective in helping groups address the challenges posed by limited capacity and shortage of skills and experience. However, evidence of the impact of Ynni'r Fro in enabling groups to overcome the other challenges highlighted in chapter 4 is more mixed.
- 6.8 TDOs were praised for the support they were able to provide with applications to local planning authorities and other bodies such as NRW. But while groups were grateful for this support, it had not always led to planning and licence applications being approved. The impacts of Ynni'r Fro support in enabling groups to overcome significant local opposition also appeared to have been limited to date. TDOs were described as playing an effective role in guiding groups through the process of engaging with their local communities, and in one case had done considerably more than this in attempting to actively recruit prominent people in a local community to support a project. However, ultimately no cases were reported in this research where Ynni'r Fro support had enabled a group to overcome significant local opposition.
- 6.9 In terms of Ynni'r Fro preparatory funding, this does appear to have been effective in enabling groups to complete activities essential to the *initial* development of their project. But most groups felt they would still need further, additional preparatory funding to further develop their project up to and through the planning application process. The impact of the Ynni'r Fro capital funding provision is yet to be tested.

Impacts at a programme level

- 6.10 The two main sources of insight into the impact of Ynni'r Fro at a programme level is quantitative data collected by EST and the qualitative assessments of stakeholders about how well it is performing against these targets. Overall, both of these sources indicate that the programme is unlikely to have met several of the targets set by WEFO targets when it concludes in March 2015.
- 6.11 The following table shows the WEFO targets for the programme for the Convergence and Competitiveness regions in which it is operating, and the achieved outcomes against these to date.

Figure 3 – Impacts of Ynni'r Fro to date against WEFO targets

	Target	Achieved to Date ⁵
Convergence region		
Enterprises Assisted	125	80
Enterprises Created	10	2
Renewable Energy Generated	31.06 Gwh	0 Gwh
Gross Jobs Created	20	0
Reduction in Greenhouse Emissions	4.55 KtC	0 KtC
Enterprises adopting or improving equality strategies and monitoring	10	10
Enterprises operating environmental management at a level that requires monitoring and reporting of carbon emissions	20	18
Competitiveness region		
Enterprises Assisted	15	15
Enterprises Created	2	2
Renewable Energy Generated	3.1 Gwh	0 Gwh
Gross Jobs Created	2	0
Reduction in Greenhouse Emissions	0.45 KtC	0 KtC
Enterprises adopting or improving equality strategies and monitoring	1	1
Enterprises operating environmental management at a level that requires monitoring and reporting of carbon emissions	2	2

- 6.12 The data in figure 3 illustrates that impacts to date have a similar profile in the Convergence and Competitive regions. Progress against some indicators has been good, with the targets for enterprises adopting equality strategies and monitoring and environmental management⁶ already partially or wholly achieved in both regions. Targets for enterprises assisted and created have already been achieved in the competitiveness region and there is positive progress towards these in the convergence region.
- 6.13 However, achievement against the targets for energy generation, reductions in greenhouse emissions and job creation has been minimal to date. The comments of stakeholders indicate this is an accurate reflection of progress “on the ground”. There was a general scepticism that these targets will be met by the end of the programme. All three are contingent on projects being supported by Ynni'r Fro progressing through the feasibility, planning application

⁵ Data provided by EST on 5th September 2013

⁶ These two indicators reflect the European Commission's cross cutting themes for achieving a well-balanced, sustainable and innovative economy. Projects receiving support through Ynni'r Fro are expected demonstrate their ability to achieve outputs against the indicators. It was initially expected that the projects contributing to these cross cutting theme outputs had to be in receipt of capital support and a condition of this support would be that the enterprise would be required to have policies in these areas. However enterprises that received TDO support or preparatory funding can also contribute to these outputs so a survey of supported projects was undertaken to ascertain what could be claimed to date and the application forms were amended to capture this information at the earliest stage. Enterprises will be signposted to sources of help (such as the Green Dragon environmental standard) to help implement or improve the necessary systems and changes will be evidenced by further periodic surveys.

and construction phases of their development within the life of the programme. Stakeholders felt very few projects will have developed this far within this time-frame. It was reported by stakeholders involved in the delivery of Ynni'r Fro that the 22 exemplar projects that have been receiving the most intensive support through the programme are generally still in the planning application or consents phase of their development, with no guarantee that they will all quickly and successfully progress through this phase. It is likely that the full impacts of Ynni'r Fro against its targets for energy generation and reductions in greenhouse emissions will only be realised some time after the life of the programme.

- 6.14 Stakeholders also had some additional reflections on the feasibility of the programme achieving its targets for job creation. It was suggested that even larger-scale projects, that are going to generate sufficient income to fund a part or full time post, community groups may not be in a position to use it for this purpose. The circumstances or priorities of the group may have changed by the time they become income-generating. In addition, they will potentially have to use a high proportion of the income they generate to repay capital loans taken out to meet their construction costs, meaning any impact on job creation could be deferred for several years.

7 Factors mediating the impact of Ynni'r Fro

7.1 This chapter sets out the factors that have mediated the impact of Ynni'r Fro to date, and also those which are likely to do so through the remainder of its lifetime. This includes factors associated with the design and delivery of Ynni'r Fro as well as factors outside the direct influence of the programme.

7.2 Broadly, these factors can be grouped into the following categories:

- External factors
- Who receives support through Ynni'r Fro
- What support is provided through Ynni'r Fro
- The administration of Ynni'r Fro
- Interaction between Ynni'r Fro and external bodies

7.3 Each mediating factor is described in more detail in the following sections.

External factors

7.4 It was widely accepted that the FiTs – state-aid issues (discussed in chapter 2) that had led to the suspension of financial support for the first 18 months of Ynni'r Fro had significantly set back the progress of the programme. There also appear to be some on-going ambiguities surrounding what Ynni'r Fro preparatory grant funding can and can't be used for under the state-aid rules without disqualifying groups from receiving FiTs. Specifically, stakeholders involved in the delivery of Ynni'r Fro said they were under the impression that grants could not be given for groups to use in the preparation of planning applications. This was seen to have created a funding gap that Ynni'r Fro cannot address, in between the initial development of a project up the planning stage and the construction phase. In addition, there was reported to be some other on-going ambiguities surrounding what Ynni'r Fro preparatory funding can and can't be used for under the state-aid rules. For example it is not clear whether the preparatory grants can be used to fund paid project managers within community groups. Ofgem publish general written guidance but only provide advice on specific projects once they have been granted planning permission, by which time they may have already used preparatory funding for activities that disqualify them from receiving FiTs. There is an apparent need for further dialogue between the programme and Ofgem (who administer the FiTs scheme) to clarify these issues.

7.5 The other key external factors have already been discussed in chapter 4, and relate to the current perceived attitudes of local planning authorities and NRW to community renewable energy projects. There was a general perception that these were already limiting the impacts that Ynni'r Fro could have, and had the potential to continue to do so for the remainder of the programme's duration and beyond it. As discussed in chapter 2, current planning guidance for LPAs states that renewable energy projects should generally be supported, "provided

environmental impacts are avoided or minimised, and nationally and internationally designated areas are not compromised.” Community groups and stakeholders felt that too much weight was being given to potentially negative local environmental impacts of projects, and too little weight to their wider environmental, social and economic benefits. The experiences of community groups and stakeholders involved in Ynni'r Fro also appear to be at odds with the public statements about the EA and now NRW, reported in chapter 2. They reported little evidence of the then EA having adopted a 'yes if' approach to regulating small scale renewables, and that the “major advantages in terms of simplifying and streamlining the consent process” intended by the formation of NRW had not yet materialised.

Who receives support through Ynni'r Fro

- 7.6 There was a consensus amongst the stakeholders interviewed that, with the benefit of hindsight, the initial eligibility criteria for Ynni'r Fro had been too strict. When the programme was introduced, wind schemes had to expect to generate at least 800,000kWh per annum and raise a minimum gross income of £70,000 to be eligible for support, and hydro schemes had to expect to generate at least 240,000kWh per annum and raise a minimum gross income of £30,000. This was on the basis that projects of this scale would be necessary to meet the programme-level targets set by WEFO for energy generation and job creation. At the start of the programme there also was an explicit intention to focus Ynni'r Fro support on 22 larger-scale exemplar projects which comfortably met or exceeded these criteria.
- 7.7 Stakeholders felt this initial focus on larger-scale projects partly explained the lack of progress at a programme-wide level so far. Firstly, Wales was said to lack an abundance of sites that would support projects of the required scale. Secondly, the challenges associated with larger-scale projects were felt to be particularly acute, meaning they were always going to be unlikely to complete their development within the lifetime of Ynni'r Fro. It was felt that the programme should have aimed to support a larger number of smaller-scale projects from the outset, which would have faced fewer challenges and been able to progress further over a shorter period of time. The relaxation of the eligibility criteria during the operation of Ynni'r Fro was widely welcomed by stakeholders, although some still questioned the on-going focus on the original 22 exemplar projects.
- 7.8 A second mediating factor, linked to the one above, is how Ynni'r Fro has been advertised to potential recipients. Several stakeholders were critical of this, both at the outset of the programme and particularly during its operation. Community groups also reported generally low levels of awareness of the programme in the voluntary sector. It was perceived that this had reduced the number of community groups with the potential to successfully deliver a project applying to the programme. Stakeholders involved in the delivery of Ynni'r Fro indicated that the low-key advertising of the programme since its launch has partly been pragmatic. Having identified 22 exemplar projects relatively early in

the programme there have not been the resources to offer significant support to a large number of additional projects.

- 7.9 Stakeholders felt the above factors may have contributed to Ynni'r Fro supporting 'sub-optimal' projects (both in terms of their scale and their chances of succeeding), and that the programme had possibly missed out on other projects with greater potential. In addition, some stakeholders felt that Ynni'r Fro has been supporting projects that were never likely to be granted planning permission or consent, due to the unsuitability of their site and/or their likely ecological impact. This was attributed to a lack of dialogue between Ynni'r Fro and LPAs/NRW – an important factor mediating the impact of the programme as a whole, which is discussed in more detail later in this chapter.
- 7.10 It was also suggested that the programme had initially been too orientated towards supporting projects that were wholly community owned. Although Ynni'r Fro can provide support to projects with shared ownership and joint ventures (JVs) between a community group and a private interest, there appear to be few instances of these models amongst the groups that have so far received support through the programme. Some groups were now contemplating forming a joint venture to take forward a project they had so far been developing themselves, but very few had started out as a joint venture when they initially came into contact with Ynni'r Fro.

What support is provided through Ynni'r Fro

- 7.11 The comments of community groups and stakeholders indicate that the basic features of the support provided through Ynni'r Fro are sound, and have contributed positively to the impact of the programme to date. Equally, there are aspects of the design and delivery of the Ynni'r Fro support that have mediated this impact. These are described below.

Ynni'r Fro TDO support

- 7.12 All respondents felt the locally-based network of TDOs 'worked' and, as described in chapter 5, TDOs were reported to have supported groups with numerous aspects of their projects' development. Equally, the findings in chapter 6 suggest that the TDO support has been more able to address some challenges (limited capacity, shortage of skills and experience) than others (local opposition and the planning/consent process). To a very large extent interviewees felt this was a reflection of the intractability of these challenges rather than any deficiencies on the part of the TDO support. Equally, it was suggested by some external stakeholders not involved in the delivery of Ynni'r Fro that TDOs may lack specialist knowledge of the ecological and technical aspects of renewable energy projects (specifically hydro projects), and that this undermined the quality of the advice they were able to give community groups in the consent phase. It was also suggested that TDOs may not have extensive experience of the planning process, which inhibited their ability to support groups in preparing planning applications. Secondly, some TDOs

themselves felt they may lack all of the financial and legal knowledge necessary to support groups in accessing capital finance – either through loans, entering into a joint venture or initiating a share issue. Whether TDOs could or should be expected to provide support in these areas, in addition to the wide range of other support they already provide, is a question returned to in the next chapter.

- 7.13 In addition, it was suggested by stakeholders, including TDOs themselves, that their time was not always being deployed as efficiently as it could be. TDOs were described as starting with ‘a blank piece of paper’ with each group they provided support to, and tailoring their support to the specific interests of the group. This meant TDOs were effectively having to ‘reinvent the wheel’ on every project. The implications of this are that it has restricted how many groups TDOs were able to support. Partly this may be an unavoidable consequence of the diversity of the community groups that have engaged in Ynni’r Fro, as discussed in chapter 3. However, stakeholders also had suggestions about how TDOs’ time could be more effectively deployed in the future, and these are discussed in chapter 8.

Ynni’r Fro preparatory funding

- 7.14 The findings in chapter 6 illustrate the importance of the preparatory funding provided through Ynni’r Fro to the groups that have received it. Stakeholders also felt this was an essential component of the programme. Equally, many groups that had already received preparatory grants indicated they’d still need further, additional preparatory funding from Ynni’r Fro to continue to progress their project. Stakeholders also questioned whether the level of preparatory funding currently available through Ynni’r Fro is high enough to fully meet the needs of community groups. No instances were found in this research of projects failing specifically because they had needed more preparatory funding than Ynni’r Fro could provide, but stakeholders involved in the delivery of the programme could envisage this happening in the future. The stated maximum preparatory funding an individual group can receive is currently £30,000, although stakeholders were aware of instances where this had been exceeded, and generally welcomed this. As reported in chapter 4, the total cost of a community group developing a renewable energy project from inception to completion of the planning process was estimated by stakeholders to be between £50,000 and £120,000.

Ynni’r Fro capital funding

- 7.15 The findings in chapter 4 suggest that access to capital finance will be a potentially significant challenge to groups when they have progressed beyond the planning and consent stage. The capital funding provision available through Ynni’r Fro remains untested, and as such hasn’t directly mediated the programme’s impact to date. At the time the research undertaken for this evaluation, no groups had applied for it, although most (three-quarters in the online survey) indicated they intended to in the future.

7.16 There were mixed views amongst stakeholders on the extent to which the Ynni'r Fro capital funding will be able to help groups meet this challenge. At one extreme were some who felt it may be unnecessary or even redundant, based on the expectation that groups would be able to access the capital they needed from other lenders at equal or better rates than being offered by Ynni'r Fro, through a share issue or by forming a joint venture. However, as reported in chapter 4, the majority of stakeholders were more pessimistic about groups' prospects of raising all of the capital they would need from these sources. They thought the Ynni'r Fro capital funding would significantly improve groups' prospects of accessing capital because it would provide the match-funding that lenders would require as a condition of making a loan. This was confirmed by the representatives of lenders interviewed for this evaluation – either groups would have to have assets they could borrow against (something most groups appear to lack) or a source of match-funding (which an Ynni'r Fro loan would provide).

The administration of Ynni'r Fro

7.17 It was reported by some groups and stakeholders that aspects of the administration of Ynni'r Fro could be improved in the future. Communication emerged as a key issue – both in terms of how different parties involved in the delivery of the programme communicate with one-another and communication between the programme and community groups:

- Although respondents were generally understanding of the uncertainties created by the FiTs and state-aid issues early in the programme, it was felt that more could have been done to keep TDOs and community groups informed of the steps that were being taken to resolve these issues while they were on-going.
- It was felt that insufficient information had been provided to community groups on changes to the eligibility criteria during the operation of the programme.
- There were some complaints about the speed with which applications for funding were processed, although equally there were other groups who described this as quick and straightforward.
- Groups that had been judged ineligible for support through the programme didn't always feel they had been given a clear explanation for why this was, and none reported being recontacted by Ynni'r Fro at a later date despite the subsequent changes to the programme's eligibility criteria.
- Exceptionally, there were cases reported where groups felt they may have been misled about their potential eligibility for support through Ynni'r Fro. They said they had initially been encouraged to apply but had subsequently been told they were not eligible once they had submitted an EOI.
- There was perceived to be an absence of information for groups receiving support about how other Ynni'r Fro groups and the programme as a whole is progressing. Initial plans for EST to provide a regular newsletter for

groups had not come to fruition. This was felt to be a missed opportunity to facilitate peer-to-peer learning between groups receiving support through the programme.

- TDOs didn't feel well informed about more strategic developments affecting the operation of the programme, e.g. progress against targets, and potential future changes to aspects of the programme.
- TDOs reported that meetings between themselves and EST had been sporadic during the programme, although EST was praised for being responsive to one-off requests for information.

7.18 The perceived consequence of the above was on-going uncertainty for community groups, for example around their entitlement to financial support through the programme. In the absence of information being provided centrally, TDOs were reported to be the main source of information for groups and they didn't always feel able to perform this role effectively due to the limited nature of their own communication with others involved in the delivery of the programme. For example, TDOs described instances where they had been "made to look silly" by relaying one piece of information to a group, only to later be told this information had changed or superseded due to developments they had not been made aware of.

Interaction between Ynni'r Fro and external bodies

7.19 The preceding findings in the report highlight the important role that external bodies, most notably local planning authorities and NRW, can play in the development of the projects being supported through Ynni'r Fro. They are currently seen to represent a significant challenge to this development, and by extension to the success of Ynni'r Fro in achieving its targets.

7.20 For some respondents these challenges were seen as being simply beyond the scope of Ynni'r Fro and can only be addressed through wider measures by the Welsh Government (discussed in the following chapter). Others felt more could have been done through the programme to at least partially mitigate these challenges. Stakeholders suggested that there had been insufficient dialogue between Ynni'r Fro and external bodies during the programme. TDOs have been increasingly active in engaging in this kind of dialogue on a local, project basis but this has not been accompanied by dialogue at a more strategic level. The perceived consequence of this was that such bodies have continued to have a limited understanding of, and sympathy for, the objectives of the programme and the potential benefits the projects it is supporting can deliver.

7.21 It was acknowledged by some stakeholders involved in the delivery of Ynni'r Fro that the difficulties groups had experienced in securing planning approval and consent from LPAs and the NRW had been under-estimated at the start of the programme. Representatives of Ynni'r Fro had met with LPAs at the start of the programme but this had not been followed by any subsequent dialogue. It was also reported that while there had been some contact between representatives of Ynni'r Fro and NRW during the programme, this did not

amount to an on-going dialogue. Initial plans to form an Ynni'r Fro steering group, attended by representatives of NRW and LPAs, have not ultimately been followed through. Stakeholders felt this had been to the detriment of the programme.

8 Suggested Improvements

8.1 This chapter draws together the findings on how community renewable energy projects in Wales may be better supported in the future, both through Ynni'r Fro and potentially beyond it. Community groups and stakeholders had numerous suggestions to this end, and this chapter also draws on the broader evidence-base on community renewable energy in the UK. This wealth of data is consolidated in the following sections:

- Who receives support
- What support is provided
- Administration
- Interaction with external bodies
- Wider measures

8.2 Details of the suggestions under each of these are discussed below.

Who receives support

8.3 The previous chapter highlighted reservations about how this had initially been decided under Ynni'r Fro. Changes have already been made to the programme's eligibility to enable smaller-scale projects to qualify for support. There was fairly universal agreement that this should be continued, and that smaller projects and those employing technologies other than wind or hydro should be eligible for support in the future. Although there was some acknowledgement that these types of project may have less need for support, the advantage of supporting them was seen to be in achieving "quick-wins" which could then lead on to larger-scale projects by the same group and act as a spur to other groups to develop their own.

8.4 There was also agreement that Ynni'r Fro or a successor programme should be much more widely and effectively publicised than Ynni'r has to date, for example by making use of existing networks such as the WCVA. From the perspective of community groups, it was simply about giving more groups the opportunity to benefit from the support available through the programme. From the perspective of stakeholders involved in the delivery of Ynni'r Fro, it was primarily about attracting a larger, stronger pool of potential projects from which they could select the most promising to support. It was also suggested that the learning from the projects currently being supported through Ynni'r Fro needed to be better captured and used to inform future decision-making around which projects are most likely to progress and so should be supported.

8.5 In addition, some stakeholders suggested more fundamental changes to the allocation of support. It was thought that in the future this should be much more strategic than it has been to date through Ynni'r Fro. The starting point would be an audit to identify sites with the most potential (in terms of energy

generation and viability⁷). Existing community groups would then be “matched” to these sites and receive support in developing a renewable energy project. The potential benefits of this approach are obvious, in terms of focusing support on projects with the greatest potential and reducing the risk of resources being wasted on projects which ultimately fail. However, the adoption of this approach would potentially raise several issues. It would replace a largely egalitarian, demand-led system of allocating support with an essentially top-down model. Projects receiving support may also be clustered around certain locations in Wales, with other areas unable to access the support or the subsequent community benefits flowing from successful projects.

- 8.6 Another suggestion was that landowners, farmers or SMEs that may be interested in forming a joint venture with a community group should be more actively encouraged to apply for support in the future. This was on the basis that they would be better equipped to develop successfully than purely community owned projects. Respublica (2013) also make a strong case for the potential of joint venture and joint ownership models to become “the primary vehicle for growth for community energy projects” in the UK for this reason. However, some stakeholders interviewed in this research had reservations about such an approach, either because they felt it was wrong for public funding to be used to support individuals or organisations with access to their own resources or because it would dilute the potential benefits to the communities concerned. Community groups entering into a joint venture in which they retain less than 90% ownership would also lose their entitlement to tax relief through the Enterprise Investment Scheme (EIS).
- 8.7 Both of the above suggestions highlight potential trade-offs between the targeting of support at projects most likely to succeed on the one hand, and issues of community benefit and equity on the other.

What support is provided

- 8.8 A number of suggestions were made about how the effectiveness and efficiency of the support currently provided through Ynni'r Fro could be improved in the future. There were also suggestions about additional forms of support that could be provided alongside or instead of this existing provision.

TDO support

- 8.9 The overriding feedback from community groups and stakeholders was that the Ynni'r Fro TDO support should be maintained largely as it is for the remainder of the programme and, if at all possible, beyond it. The suggestions discussed

⁷ This could potentially be aided by a programme of work currently being undertaken by NRW to map areas suitable for hydro development in Wales, according to: grid connection, habitats, water extraction potential, flow potential to create hydro power. This information will be available to Welsh Government policy advisors (and therefore Ynni'r Fro) in 2014.

here relate to how their time and expertise could potentially be used most efficiently in the future.

- 8.10 One such suggestion was that the TDOs should be structured around areas of expertise rather than geographical location. To some extent this appears to have started to happen as the programme has developed, with TDOs calling on one-another for input on issues or project they each have particular expertise in. The pros and cons of moving to a TDO structure entirely determined by areas of expertise may require more thinking through. It may be that the mixed approach that has organically developed – with location-based TDOs who also have the flexibility to contribute to the support of projects outside their location – represents the optimal model.
- 8.11 Another suggestion by stakeholders was that TDOs play a more directive role, in encouraging groups to develop their project along the lines of a standardised model or models. As discussed in chapter 7, TDOs have been so far tailoring the support they provide to each individual group, according to the nature of the project the group want to develop. The survey results indicate that this has been effective in meeting the needs of groups, but equally it was reported to time-consuming for the TDOs, and to restrict the number of groups they are able to support. A more directive approach, it was suggested, would also have the benefits of steering groups away from potentially unviable project ideas and towards project types and processes that have greater chances of success.

Additional measures to complement TDO support

- 8.12 Community groups and stakeholders both suggested there would be value in additional forms of support to complement the existing TDO support. These were:
- A standard induction process, that all groups expressing an interest to the programme could undertake in order to make informed decisions about whether they wanted to proceed with their project.
 - A central library or database of the various forms, contracts and templates necessary in developing a project.
 - A project development toolkit, outlining the different stages in the process groups should expect to go through.
 - Training for groups on project management, given some currently lack these skills and/or have relied heavily on TDOs to perform this role for them.
 - An impact assessment tool, which could be used to quantify the social and economic benefits of projects in planning applications. EST were reported to have recently circulated a tool of this kind to TDOs and it was felt that it, or something similar, would be of potential value more generally to all groups.

- A basic financial modelling tool, that groups can use themselves to gain a sense of the likely preparatory and capital costs of their project and its income-generating potential.
- A dedicated source of financial and/or legal advice – specifically to provide groups with expert advice on debt finance, joint ventures and/or share issues. Although instances were reported where TDOs have played an effective role in directing groups to other organisations with this expertise, there was still seen to be a need for a dedicated resource within Ynni'r Fro and/or a successor programme. The WCVA, through its contract to deliver Ynni'r Fro's capital loan provision, is a potential source of financial advice for groups. They report that they have started to engage with TDOs and groups on sources of debt finance as more projects approach the construction phase in their development. However, they do not feel they currently have the specialist knowledge to advise on joint ventures or share issues.
- Mechanisms to facilitate more peer-to-peer learning. Several groups reported that their TDO had already put them in contact with other community groups similar to theirs, and were universally positive about the value of this as an opportunity to learn from others. However, it was felt that more could be done by Ynni'r Fro to facilitate this kind of peer-to-peer learning. Suggestions included case studies, the setting-up of a forum, establishing a mentoring programme and paying for groups to travel to exemplar projects in Scotland and England.

Preparatory funding

- 8.13 Suggestions under this heading centre around the level of preparatory funding that groups can receive, in what form it is provided, and what activities it can be used for.
- 8.14 As reported in chapter 7, many groups had already benefitted from some preparatory funding through Ynni'r Fro but thought they would require more to continue the development of their project. Stakeholders also estimated the actual preparatory costs for groups to be well in excess of the maximum stated amount that can be paid to any one group through the programme (currently £30,000). Some suggested that this limit should simply be increased. Others, more pragmatically, argued that the balance between Ynni'r Fro funding for preparatory and capital support should be revised in favour of the former – i.e. the current limit for preparatory grant funding should be increased and the size of capital loan funding decreased. However, these were stakeholders who had the most optimistic expectations about groups' ability to access the capital finance they would need from other sources in the future. Given the more general pessimism about these prospects, such a change would potentially pose significant risks.
- 8.15 An alternative suggestion was to provide groups with access to loan finance to meet their preparatory costs. There is a precedent for this in Scotland where

the CARES programme already offers a “pre-planning loan” of up to £150,000, which is written off if projects fail to progress beyond the planning stage. The new Rural Community Energy Fund in England also offers loans of up to £130,000 on a similar basis. Groups that do successfully develop are required to pay back a set amount on top of the loan borrowed, which is rolled back into the fund. Community Energy Wales have also recently submitted a Lottery application for funding to establish a similar loan fund in Wales. At the time of this research, the outcome of this application was not known. A representative of Community Energy Wales reported that if the application is successful, the loan fund was intended to complement, rather than replace the current support provided through Ynni'r Fro. It is worth noting that both CARES and the Rural Community Energy Fund also offer small-scale grant funding (up to £10,000 and £20,000 respectively) to meet the costs of the initial feasibility phase of projects. It is possible to envisage a similar model in Wales, with Ynni'r Fro preparatory funding meeting these initial costs, and a revolving loan fund meeting preparatory funding needs beyond this.

- 8.16 There was a widespread appeal from interviewees in this research for greater clarity and certainty over what activities can be paid for using the current Ynni'r Fro preparatory grant funding without disqualifying groups from FiTs. Suggestions for how Ynni'r Fro or a successor programme can better engage with external bodies such as Ofgem are discussed later in this chapter.
- 8.17 There were also some calls for greater flexibility (and creativity) in how preparatory funding is used, within the bounds of what permissible under state-aid rules. For example, it was suggested that more use could be made of preparatory funding in the future to help groups undertake community engagement and address instances of local opposition. TDOs had not necessarily thought to use it for this purpose at the start of the programme but had more recently started to consider doing so. As reported in chapter 6, local opposition has been a significant challenge to some wind projects receiving support through Ynni'r Fro, and one that the programme has had limited success to date in helping groups to overcome. It was suggested, for example, that preparatory funding could be used in the future to bring in external expertise to mediate between conflicting elements in a local community. It was also suggested that preparatory funding be used to fund paid project managers within community groups. This would help to address the shortage of capacity and expertise reported in chapter 3, and also reduce the burden currently being placed on TDOs in compensating for this shortage. However, this was another grey area with respect to state-aid rules, with some interviewees suggesting that using the funding for this purpose could exempt groups from receiving FiTs. It could also potential reducing the learning that groups gain from the process, if large aspects of the process are undertaken by an external project manager brought in on a short-term contract.
- 8.18 Another suggestion was that groups should be given greater discretion about how they used preparatory funding. Currently, groups have to apply for grants for each individual activity they intend to use it for. One stakeholder contrasted

this unfavourably with the Climate Challenge Fund in Scotland, which was said to give groups greater discretion over how they used preparatory funding. Equally, given the on-going uncertainty surrounding FITs and state-aid, others felt there was still a need to be prescriptive about what grants were being spent on. An additional suggestion which may offer a compromise to this was to give TDOs a discretionary pot of money they can use to meet relatively small costs that a group they were supporting incurred, without having to go through the full grant application process.

Capital funding

8.19 As reported in chapter 7, views were mixed on the capital loan funding offered through Ynni'r Fro. State-aid rules also currently rule out any significant changes to this provision – such as offering loans of up to 100% of their capital costs or loans with below-the-market interest rates. Consequently, few interviewees had actionable suggestions for how the current provision could be enhanced. A more radical suggestion was that local authorities should be enlisted to play an active role in supporting community renewable energy projects, either as a financial intermediary between groups and sources of capital, or as investors themselves. The Co-op have also previously suggested that the Green Investment Bank should be used to perform this kind of role (Camco and Baker Tilly, 2011). Another ambitious suggestion from a stakeholder interviewed in this research was that the Welsh Government instigate and provide the initial finance for a pooled investment fund of £15-20m, that other public and private investors could invest in.

Programme administration

8.20 Suggestions for how the administration of Ynni'r Fro or a successor programme could be improved relate back to the issues with communication raised in chapter 7. Groups and stakeholders felt there needed to be more information, for it to provide greater clarity and for it to be delivered more widely and quickly. Specifically:

- On-going information for groups and TDOs about how the projects being supported by the programme are progressing, and changes to the programme.
- More clarity around what does and doesn't qualify for Ynni'r Fro support, and transparency in how decisions on these kinds of issue are made.
- Regular, frequent meetings between TDOs, EST and the Welsh Government to discuss strategic programme issues.

8.21 In addition, there were some suggestions about how the administration of Ynni'r Fro or a successor programme could operate more efficiently. This included the creation of a procurement framework that groups could use to commission feasibility studies, surveys etc. rather than having to do so through the Welsh Government procurement process. Another suggestion was to

improve the efficiency of tendering work to contractors, by asking them to quote for several stages of a project at once or for work on several projects together.

Interaction with external bodies

8.22 The findings suggest that interaction between Ynni'r Fro and external bodies has so far been mainly initiated by TDOs, at a local level, in the form of dialogue with individual NRW and local planning officers. This on its own was not seen as sufficient to address the significant challenges being faced by groups in the planning and consent process. It was felt that increased dialogue and mutual understanding at a more strategic level was required if these challenges were to be fully addressed. It was suggested by a number of stakeholders that the original intention to form an Ynni'r Fro steering group, attended by representatives of NRW and LPAs (and other external bodies such as Ofgem and district network operators), should be resurrected and put in place. Ofgem was considered to be an important potential attendee of the steering group, given their central role in arbitrating over issues of FiTs eligibility. District network operators were also identified as important future stakeholders, as groups supported by Ynni'r Fro progress to the stage where they needed to secure a grid connection.

8.23 Alongside this, it was suggested that EST could play a more active, visible leadership role, in promoting the interests of Ynni'r Fro and the groups it is supporting.

Wider measures

8.24 While interviewees were positive about the potential value of the above measures, it was felt by many that they would not be enough on their own to overcome the significant challenges currently facing Ynni'r Fro and the groups it is supporting. Wider measures by the Welsh Government and potentially other organisations were thought to be necessary, alongside the kinds of improvements to Ynni'r Fro itself already discussed. Specifically, it was suggested that:

- The Welsh Government should set targets for community renewable energy generation, as the Scottish Government has⁸. Stakeholders felt this partly explained the greater development of the sector in Scotland in comparison to Wales and England.
- The Welsh Government should fund continuous, rather than time-limited, support for community renewable energy. Although Ynni'r Fro is a 5 year programme, stakeholders felt this may be insufficient to provide support to projects for the full duration of their development. Again, the example of Scotland was highlighted, where financial and non-financial support has been provided on a rolling basis for a number of years through Community

⁸ The Scottish Government's 2020 Routemap for Renewable Energy has a target of generating 500 MW from community renewables by 2020. As at the end of June 2012, an estimated 204 MW of community and locally owned renewable energy was operating across Scotland.

Energy Scotland. However, Community Energy Scotland no longer holds the contract to manage the Scottish Government's CARES programme, and the Energy Saving Trust Scotland has recently taken over management of the scheme.

- The Welsh Government should issue stronger guidance to local planning authorities and NRW in favour of community renewable energy projects, and intervene in cases where this guidance was not being observed.
- NRW and planning officers should receive training in community renewable energy, to be able to better understand the social and economic benefits they have the potential to deliver.

9 Conclusions and Recommendations

- 9.1 This chapter draws conclusions and makes recommendations for the current Ynni'r Fro programme and for support for community renewable energy in Wales in the future. These are based on the evaluation team's interpretation of the preceding findings presented in the report. They do not necessarily represent the views of all the groups and stakeholders who participated in the evaluation or the views of the Welsh Government. Decisions about the future of Ynni'r Fro and support for the CRE sector will clearly also be based on considerations beyond the scope of this evaluation. As such, the recommendations made here are primarily intended to stimulate and aid this decision-making process rather provide definitive 'answers'.
- 9.2 The conclusions and recommendations are structured around the original objectives of the mid-term evaluation, to:
- consider the appropriateness of the programme aims, indicators and targets
 - consider the barriers and constraints the programme has faced
 - identify what recommendations can be made to improve the current programme
 - consider progress towards an exit strategy
 - inform developments for a successor programme to Ynni'r Fro
- 9.3 The following sections provide conclusions and recommendations in response to each of these objectives.

Aims, indicators and targets

- 9.4 The findings from the evaluation suggest that the basic aims of Ynni'r Fro – to develop the capacity of social enterprises and support exemplar CRE projects – are sound. There is currently a shortage of community groups with the capacity to develop CRE projects in Wales, and a need for “success stories” to encourage more to enter the sector. However, the findings also suggest the targets initially set for the programme were overly ambitious. Specifically, the initial targets for energy generation, and the subsequent focus on supporting larger-scale projects thought to be necessary to meet these targets, appears to have limited the number of projects that are going to have successfully developed in the life of the programme. Changes have already been made to enable the current programme to support smaller-scale projects, and there was widespread agreement that the aims, indicators and targets of any successor programme should be designed to enable this to continue.
- 9.5 There is also a case for the adoption of softer and more intermediate targets in the future. The TDO and preparatory grant funding delivered through Ynni'r Fro has had numerous positive impacts on the community groups that have

received it, in terms of their raising their capacity, giving them skills and experience, and enabling them to complete several stages in the development of a CRE project. Although few projects may have fully developed by the end of Ynni'r Fro, they and the sector will have progressed significantly. It would be beneficial to capture this progress through indicators and targets designed for this purpose in the future.

- 9.6 The findings from the evaluation also suggest that Ynni'r Fro's original targets for job creation should be revisited. If smaller-scale projects are eligible for future support they may not generate the income necessary to lead to the creation of jobs. The comments of community groups also indicate that even for larger-scale projects that do generate this level of income, it will not necessarily be used for this purpose or may take several years for this to happen. This is not to suggest that objectives and targets shouldn't be set for projects to deliver wider social and economic benefits such as job creation. Just that the use of a single, specific indicator may not be sufficient to capture the diversity of these benefits.

Recommendations:

- Set future targets that reflect the current challenges and timescales in sector, and which allow smaller-scale projects to be supported
- Develop additional indicators to measure intermediate impacts
- Adopt more flexible indicators to reflect the broader social and economic impacts of CRE projects

Barriers and Constraints

- 9.7 The evaluation findings suggest that external factors (such as the decision-making of NRW and LPAs) currently represent challenges to Ynni'r Fro achieving its aims, and have the potential to continue to exert a similar influence on any successor programme that follows it. Finding ways to mitigate, work-around and address these external factors needs to be a priority in the short and longer-term. There is currently a lack of mutual understanding or "shared language" between Ynni'r Fro and these other bodies. Everyone is, in theory, working to promote sustainable development in Wales, but not currently in a co-ordinated, joined-up way. The potential environmental, social and economic contribution of Ynni'r Fro to sustainable development currently appears to be poorly understood, and not fully accounted for by other bodies.

Recommendations:

- Use data collected through Ynni'r Fro, and other sources, to better evidence the contribution of projects to sustainable development in Wales.
- At a project-level – support on-going dialogue between TDOs and officers in NRW and LPAs.
- At a programme-level – establish a multi-agency steering group for Ynni'r Fro

and/or a successor programme, attended by representatives of NRW, LPAs, and potentially other stakeholders such as Ofgem and district network operators.

- At a Welsh Government level – consider formal measures to promote CRE in Wales, e.g. the setting of targets and revisions to the current planning guidance.

Programme improvements

- 9.8 Numerous suggestions (reported in chapter 8) were made by respondents in the evaluation about how Ynni'r Fro and/or a successor programme could be improved. Several of these centred around the potentially contentious issue of how, where and to who support is delivered. On the one side is the current model, under which any community group that meets the programme's eligibility criteria can receive support. On the other side is a more top-down strategic model, under which support is targeted only at the most viable sites in Wales, with community groups being "matched" to these sites by the programme. Further thought may need to be given to the future allocation of support, the pros and cons of each model and other potential models.
- 9.9 In terms of what support is delivered, there is a clear on-going need to continue to provide community groups developing a CRE project in Wales with financial support and the kinds of non-financial advice and support TDOs have been giving. The evaluation found that TDOs had had a number of positive impacts on the projects they have supported, but also that their time is constrained. There is a strong case for complementing the TDO role with additional resources that groups can use themselves. The Ynni'r Fro preparatory funding has also had a positive impact on its recipients in enabling them to complete vital initial stages in their development, but that many will need additional funding to continue their development. The capital loan funding available through Ynni'r Fro has yet to be tested, but access to capital is likely to be a significant challenge to groups in the future, that needs to be addressed.

Recommendations:

- Review the existing method of allocating support through Ynni'r Fro and consult with stakeholders on the approach to be adopted in any successor programme.
- Continue and ring-fence the TDO support currently delivered through Ynni'r Fro.
- Create a central library of resources for community groups.
- In the short-term – continue to provide preparatory grant funding.
- In the longer-term – give consideration to introducing a contingent, revolving loan fund alongside preparatory grant funding, or supporting a loan fund for CRE in Wales introduced by another body.
- Start discussions with groups about capital finance at the earliest opportunity, and give serious consideration to the provision of additional advice and support in this area.

Transition and Succession

- 9.10 Community groups and stakeholders interviewed in this research were not aware of whether the Welsh Government would offer support to the CRE sector beyond the life of the current Ynni'r Fro programme or what form this support might take. There will be a need for the Welsh Government to provide information to this effect before the programme finishes in March 2015. Many groups currently being supported through Ynni'r Fro will not have completed their development when the programme comes to an end. They will need some certainty about whether or not they will be able to access future support, in the form of a successor programme, and if not, what other sources of support are available to them.
- 9.11 The findings from the evaluation strongly suggest that a successor programme to Ynni'r Fro will be needed if the CRE sector in Wales is to continue its development. Not only are current Ynni'r Fro projects highly likely to need support beyond 2015, but also so are other, newer projects that are initiated between now and then. As discussed in chapter 2, there are some sources of financial support and some sources of non-financial advice and support that groups in Wales can access. However, these do not amount to the intensive, integrated support that Ynni'r Fro provides, and which the evaluation evidence suggests is necessary given the current challenges to community groups developing a CRE project. Renew Wales and Community Energy Wales do not currently appear to have the resources or remit to fully take on this role. If there is a successor programme, there is also a need to use the learning from Ynni'r Fro to inform its design and delivery.

Recommendations:

- Develop a transition strategy for Ynni'r Fro that gives groups certainty about future sources of support.
- Continue the provision of TDO and financial support to community groups beyond the current Ynni'r Fro programme.
- Put mechanisms in place to capture learning from Ynni'r Fro, for example through learning diaries and case-studies, to inform a successor programme.

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Annexes

Evaluation methodology

The four main data collection methods used in the evaluation are described below.

Policy review

The objectives of the policy review were to chart recent developments in the community renewable energy sector prior to the introduction of Ynni'r Fro and understand the contemporary context in Wales in which the programme has been operating. The review was undertaken following a structured approach based on Government Social Research (GSR) guidelines. The first stage of the review was to collate existing sources known to the client and the project team, and to undertake searches of documents using online tools. This yielded a long list of 85 sources which, through a process of ranking and prioritisation, was reduced to a short list of 25 sources for full review. A further 5 sources were incorporated during the review process. A review framework was designed and populated with key data from each source, including general source information, findings relevant to each research question, and further researcher observations.

Online survey of community groups

The objectives of the survey were to identify the characteristics of groups that have come into contact with Ynni'r Fro, their needs, and the nature and impacts of the support they have received through the programme to date. Contact details on the EST database of all groups that have submitted an expression of interest to receive support through Ynni'r Fro were used to send out invitations to take part in the survey. The invitation and the survey questionnaire were provided in English and Welsh. Groups were sent a reminder to complete the survey after 1 week. After 2 weeks the survey was closed with an achieved sample size of 55. In order to boost the sample, additional groups on the EST database that had not responded to the invitation to complete the survey online were 'cold-called' and, with their consent, then administered the survey over the telephone. They were also asked some more in-depth qualitative questions in order to complement the findings from the next phase of the evaluation (see below). The final achieved survey sample was 66.

There are two caveats that should be borne in mind in interpreting the survey findings. Firstly, there is no guarantee that the sample of groups that took part in the survey is wholly representative of all groups that have come into contact with Ynni'r Fro. An achieved sample of 66 represents around a third of this wider population, and there is a possibility that the characteristics of this third may differ from the other two-thirds. Nonetheless, there are reasons to believe that the achieved sample provides a reasonable reflection of the wider population of groups that have come into contact with Ynni'r Fro. Groups with different levels of engagement with Ynni'r Fro were represented – a number of the “pipeline” projects that have received the most intensive support are represented in the sample (21), but also groups that had received lower levels of support (28), and those that received none at all (17). Groups of different sizes, structures and geographical locations were also

represented, as were groups that had reached different stages in the development of their project.

The second caveat relates to the accuracy of the answers given by respondents in the survey. Respondents were often being asked to recall details and events that occurred sometime previously, which in some cases pre-dated their own involvement in the project. Respondents also had generally low levels of prior experience and expertise in what is a highly complex sector, meaning some misunderstandings and gaps in knowledge were evident in the survey responses. The clearest example of this was that 4 respondents said their group had received capital funding through Ynni'r Fro – when in fact no capital loans have yet been made through the programme. It's likely that they had simply confused preparatory funding they had received through Ynni'r Fro with capital funding. With these considerations in mind, the survey results presented in this report should be treated with a degree of caution.

Follow-up interviews with community groups

The objective of the follow-up interviews was to collect more detailed and in-depth insight into the experiences groups had had of developing their community renewable energy project, and of their engagement with Ynni'r Fro. All respondents in the preceding online survey were asked for their consent to be recontacted and take part in a follow-up interview. This generated an initial sample of 34 respondents who were interviewed by telephone, using a topic guide designed for this purpose. As described in the previous section, a further 11 respondents were administered the survey over the phone and asked more in-depth qualitative questions to supplement the findings from the follow-up interviews. The final achieved sample was 45.

Stakeholder interviews

The objective of these interviews was to explore the perceived effectiveness of Ynni'r Fro and identify potential improvements to its design and delivery. Representatives of the following were interviewed:

- Organisations and individuals involved in the delivery of Ynni'r Fro (the Energy Saving Trust, the technical development officers, and the WCVA)
- Organisations that provide a potential source of other financial support to projects in Wales (Triodos, Co-op Bank, FSE Community Generation Fund)
- Organisations responsible for determining whether projects receive planning approval and consent (NRW. Representatives of Local Planning Authorities in Wales were also invited to take part in the research but declined or were unavailable to be interviewed)
- Other organisations playing an active role in the community renewable energy sector in Wales and other parts of the UK (Renew Wales, Community Energy Wales, the National Trust, WRAP, Ofgem, Community Energy Scotland)

Again, interviews were conducted by telephone using a topic guide developed for this purpose. In total, 20 stakeholders were interviewed.

Questionnaire used in online survey of community groups

***What is the name of your organisation?**

Beth yw enw'ch sefydliad?

***Which of the following best describes your organisation?**

Pa rai o'r canlynol sy'n disgrifio eich sefydliad orau?

- ☐ Community Interest Company / Cwmni Buddiannau Cymunedol
- ☐ Company limited by shares / Cwmni sy'n gyfyngedig gan gyfranddalladau
- ☐ Limited Liability Partnership / Partneriaeth Alebolwydd Cyfyngedig
- ☐ Industrial and Provident Society (Bona Fide Coop) / Cymdeithas Ddiwydiannol a Darbodus (Cwmni Cydweithredol Bona Fide)
- ☐ Industrial & Provident Society (Community Benefit Society) / Cymdeithas Ddiwydiannol a Darbodus (Cymdeithas Budd Cymunedol)
- ☐ Registered Charity / Elusen Gofrestredig
- ☐ Community limited by guarantee / Cwmni cyfyngedig drwy warant
- ☐ Other Community Group / Grŵp cymunedol arall
- ☐ Other Commercial Organisation / Sefydliad Masnachol Arall

Other (please specify) / Arall (nodwch)

***How long has your organisation been running for?**

Ers pryd y bu eich sefydlwyd yn weithredol?

- ☐ Less than 1 year / Llai na blwyddyn
- ☐ 1-2 years / 1-2 mlynedd
- ☐ 2-3 years / 2-3 mlynedd
- ☐ 4-5 years / 4-5 mlynedd
- ☐ Over 5 years / Dros 5 mlynedd

***How many paid staff does your organisation currently have?**

Faint o staff cyflogedig sydd gan eich sefydliad ar hyn o bryd?

- ☐ 0
- ☐ 1-5
- ☐ 6-10
- ☐ 11-20
- ☐ 21-34
- ☐ 35-49
- ☐ 50+

***How many unpaid staff/volunteers does your organisation currently have?**

Faint o staff heb dâl/gwirfoddolwyr sydd gael eich sefydliad ar hyn o bryd?

- ☐ 0
- ☐ 1-5
- ☐ 6-10
- ☐ 11-20
- ☐ 21-34
- ☐ 35-49
- ☐ 50+

***Which of the following best describes the aims and activities of your organisation?**

Pa rai o'r canlynol sy'n disgrifio amcanion a gweithgareddau eich sefydliad orau?

- ☐ Climate change / Newid yn yr Hinsawdd
- ☐ Renewable energy generation / Cynhyrchu ynni adnewyddadwy
- ☐ Community regeneration / Adfywio cymunedol
- ☐ Other (please specify) / Arall (nodwch)

***Before expressing an interest in receiving support through Ynni'r Fro, how much experience did your organisation have of renewable energy generation?**

Cyn mynegi diddordeb mewn cael cymorth drwy raglen Ynni'r Fro, faint o brofiad oedd gan eich sefydliad o ran cynhyrchu ynni adnewyddadwy?

- ☐ None / Dim
- ☐ A small amount of experience / Ychydig bach o brofiad
- ☐ A reasonable amount of experience / Rhywfaint o brofiad
- ☐ A lot of experience / Llawer o brofiad

***Before expressing an interest in receiving support through Ynni'r Fro, how much experience did your organisation have of running community projects?**

Cyn mynegi diddordeb mewn cael cymorth drwy raglen Ynni'r Fro, faint o brofiad oedd gan eich sefydliad o ran rhedeg prosiectau cymunedol?

- ☐ None / Dim
- ☐ A small amount of experience / Ychydig bach o brofiad
- ☐ A reasonable amount of experience / Rhywfaint o brofiad
- ☐ A lot of experience / Llawer o brofiad

***Before expressing an interest in receiving support through Ynni'r Fro, had your organisation run a community renewable energy project before?**

Cyn mynegi diddordeb mewn cael cymorth drwy raglen Ynni'r Fro, a oedd eich sefydliad wedi rhedeg prosiect ynni adnewyddadwy cymunedol o'r blaen?

- ☐ Yes / Oedd
- ☐ No / Nac oedd

***How did you first become aware of the Ynni'r Fro programme?**

Sut y daethoch chi'n ymwybodol o raglen Ynni'r Fro?

- ☐ I heard about it from other community groups / Ciywais amdani drwy grwpiau cymunedol eraill
- ☐ I read about it through publicity of Ynni'r Fro / Darlennais amdani drwy gyhoedduswydd Ynni'r Fro
- ☐ I was approached by a Technical Development Officer / Gwnaeth Swyddog Datblygu Technegol gysylltu â mi
- ☐ Other (please specify) / Arall (nodwch)

***When did you express an interest in receiving support through Ynni'r Fro?**

If you have made more than one expression of interest, please think about the most recent one when answering this question and others in the survey.

Pryd wnaethoch chi fynegi diddordeb mewn cael cymorth drwy raglen Ynni'r Fro?

Os ydych wedi datgan diddordeb mwy nag unwaith, meddyliwch am y tro diwethaf wrth ateb y cwestiwn hwn a'r cwestiynau eraill yn yr arolwg.

- ☐ 2010
- ☐ 2011
- ☐ 2012
- ☐ 2013

***Which of the following had you already completed when you expressed an interest in receiving support through Ynni'r Fro? Please tick all that apply.**

Pa rai o'r canlynol oeddech chi wedi'u cwblhau eisoes pan wnaethoch chi fynegi diddordeb mewn cael cymorth drwy raglen Ynni'r Fro? Ticiwch bob un sy'n berthnasol.

- ☐ Set up your organisation / Sefydlu eich sefydliad
- ☐ Identified a suitable site / Nodi safle addas
- ☐ Secured a lease for site / Sicrhau prydles ar gyfer safle
- ☐ Carried out community consultation/engagement / Cynnal ymgynghoriad/ymgysylltiad cymunedol
- ☐ Carried out a feasibility study / Cynnal astudiaeth ddichonoldeb
- ☐ Carried out an environmental survey / Cynnal arolwg amgylcheddol
- ☐ Secured funding for preparatory work / Sicrhau cyllid ar gyfer gwaith paratoadol
- ☐ Secured capital funding / Sicrhau cyllid cyfaiaf
- ☐ Applied for planning permission / Gwneud cais am ganiatâd cynllunio
- ☐ Received planning permission / Derbyn caniatâd cynllunio
- ☐ (for hydro:) Applied for a licence / (ar gyfer dŵr) Gwneud cais am drwydded
- ☐ (for hydro:) Received a licence / (ar gyfer dŵr) Cael trwydded
- ☐ Began construction / Dechrau adeiladu
- ☐ Began generating energy / Dechrau cynhyrchu ynni
- ☐ Secured grid connection / Sicrhau cyswllt grid
- ☐ None of the above / Dim un o'r uchod

***Have you subsequently received any support through Ynni'r Fro?**

By support we mean anything from advice through to technical support or funding.

Gawsoch chi unrhyw gymorth dilynol drwy raglen Ynni'r Fro?

Mae gymorth yn golygu unrhyw beth o gyngor hyd at gymorth technegol neu gyllid.

- ☐ Yes / Oedd
- ☐ No / Nac oedd

***Are you still developing a community renewable energy project?**

Ydych chi'n datblygu prosiect ynni adnewyddadwy cymunedol o hyd?

☐ Yes / Ydyn

☐ No / Nac ydyn

***Which of the following have been the main challenges to you progressing with your project? Please tick all that apply.**

Pa rai o'r canlynol fu'r prif heriau wrth i chi ddatblygu'ch prosiect? Ticiwch bob un sy'n berthnasol.

- ☐ Shortage of time/capacity within organisation / Prinder amser/capasi'ti o fewn y sefydliad
- ☐ Shortage of skills/experience within organisation / Prinder sgiliau/profiad o fewn y sefydliad
- ☐ Legal issues / Materion cyfreithiol
- ☐ Inability to find suitable site / Methu dod o hyd i safle addas
- ☐ Difficulties securing lease for site / Anawsterau i gael prydles ar gyfer y safle
- ☐ Lack of local support/local opposition / Diffyg cymorth lleol/gwrthwynebiad lleol
- ☐ Shortage of funding for preparatory work (e.g. In feasibility/planning stage) / Prinder cyllid ar gyfer gwaith paratoadol (e.e. cam cynllunio / dichonirwydd)
- ☐ Shortage of capital funding / Prinder cyllid cyfalaf
- ☐ Difficulties getting planning permission / Anawsterau i gael caniatâd cynllunio
- ☐ (for hydro:) Difficulties getting a licence / (ar gyfer dŵr:) Anawsterau i gael trwydded
- ☐ Difficulties securing grid connection / Anawsterau i sicrhau cyswllt â'r grid
- ☐ Difficulties finding suitable contractors/installers / Anawsterau i ddod o hyd i gcontractwyr/gosodwyr addas
- ☐ No challenges experienced / Ni phrofwyd unrhyw heriau
- ☐ Other (please specify) / Arall (nodwch)

***How many people in your organisation are actively involved in working on the project?**

Faint o bobl yn eich sefydliad sy'n cymryd rhan weithredol yn y prosiect?

- ☐ 1
- ☐ 2-4
- ☐ 5-9
- ☐ 10+

***Have you received a preparatory grant through Ynni'r Fro?**

Ydych chi wedi derbyn grant paratoadol drwy raglen Ynni'r Fro?

☐ Yes / Do

☐ No / Naddo

***How important has this funding been to your project on a scale of 1-5?**

1 = it was a help but we could have managed without it and 5 = it was crucial, we could not have continued without it

Pa mor bwysig oedd y cyllid hwn i'ch prosiect ar raddfa o 1-5?

1 = roedd o gymorth mawr ond byddai'n bosibl i ni ymdopi hebddo a 5 = roedd yn hanfodol, ni fyddai'n bosibl i ni barhau hebddo

☐ 1

☐ 2

☐ 3

☐ 4

☐ 5

***Do you intend to apply or reapply for a preparatory funding through the Ynni'r Fro programme in the future?**

Ydych chi'n bwriadu gwneud cais / ail-geisio am gyllid paratoadol drwy raglen Ynni'r Fro yn y dyfodol?

☐ Yes / Ydyn

☐ No / Nac ydyn

Have you received a capital grant or loan through Ynni'r Fro?

Ydych chi wedi derbyn grant cyfalaf neu fenthyciad drwy raglen Ynni'r Fro?

☐ Yes / Do

☐ No / Naddo

***How important has this funding been to your project on a scale of 1-5?**

1 = it was a help but we could have managed without it and 5 = it was crucial, we could not have continued without it

Pa mor bwysig oedd y cyllid hwn i'ch prosiect ar raddfa o 1-5?

1 = roedd o gymorth mawr ond byddai'n bosibl i ni ymdopi hebddo a 5 = roedd yn hanfodol, ni fyddai'n bosibl i ni barhau hebddo

☐ 1

☐ 2

☐ 3

☐ 4

☐ 5

***Do you intend to apply or reapply for a capital grant or loan through the Ynni'r Fro programme in the future?**

Ydych chi'n bwriadu gwneud cais / ail-geisio am grant cyfalaf neu fenthyciad drwy raglen Ynni'r Fro yn y dyfodol?

☐ Yes / Ydyn

☐ No / Nac ydyn

***Which of the following has your Ynni'r Fro Technical Development Officer given you advice or support with? Please tick all that apply.**

Pa rai o'r canlynol gawsoch chi gymorth neu gyngor arno gan Swyddog Datblygu Technegol Ynni'r Fro? Ticiwch bob un sy'n berthnasol.

- ☐ Setting up your organisation / Sefydlu eich sefydliad
- ☐ Identifying a suitable site / Dod o hyd i safle addas
- ☐ Securing a lease for site /
- ☐ Carrying out community consultation/engagement / Cynnal ymgynghoriad/ymgysylltiad cymunedol
- ☐ Carrying out a feasibility study / Cynnal astudiaeth ddichonolwydd
- ☐ Carrying out an environmental survey / Cynnal arolwg amgylcheddol
- ☐ Securing funding available through Ynni'r Fro / Sicrhau cyllid drwy raglen Ynni'r Fro
- ☐ Securing funding from other sources / Sicrhau cyllid drwy ffynonellau eraill
- ☐ Applying for planning permission / Gwneud cais am ganiatâd cynllunio
- ☐ (for hydro:) Applying for a licence / (ar gyfer dŵr:) Gwneud cais am drwydded
- ☐ Finding a suitable contractor/installer / Dod o hyd i gcontractwr/gosodwr addas
- ☐ Securing a grid connection / Sicrhau cyswllt grid
- ☐ None of the above / Dim un o'r uchod

***What other advice or support have you received from your Ynni'r Fro Technical Development Officer? Please tick all that apply.**

Pa gyngor neu gymorth arall ydych chi wedi'i gael gan Swyddog Datblygu Technegol Ynni'r Fro? Ticiwch bob un sy'n berthnasol.

- ☐ General encouragement/moral support / Anogaeth gyffredinol/cefnogaeth foesol
- ☐ Help with business planning / Cymorth gyda'r cynllun busnes
- ☐ Help with legal issues / Cymorth gyda materion cyfreithiol
- ☐ Help with project management / Cymorth i reoli'r prosiect
- ☐ Contacts with other organisations / Cysylltiadau â sefydliadau eraill
- ☐ Technical advice/information / Cyngor/gwybodaeth dechnegol
- ☐ None of the above / Dim un o'r uchod
- ☐ Other / Arall

Please specify / Nodiwch

How important has the support and advice you've received from your Technical Development Officer been to your project?

Please provide a rating on a scale for 1 to 5 for the things they have given you support or advice with, where 1= it was a help but we could have managed without it, and 5 = it was crucial, we could not have continued without it.

Please note that you only need to provide a rating for things you received support with.

Pa mor bwysig oedd y cymorth a'r cyngor a gawsoch gan y Swyddog Datblygu Technegol i'ch prosiect?

Nodwch sgôr ar raddfa rhwng 1 a 5 ar gyfer y pethau y rhoddwyd cymorth neu gyngor arnynt i chi, lle mae 1 = roedd o gymorth ond byddai'n bosibl i ni ymdopi hebddo, ac mae 5 = roedd yn hanfodol, ni fyddai'n bosibl i ni barhau hebddo.

Nodwch, dylech ond roi sgôr ar gyfer y pethau rydych wedi cael cymorth i'w gwneud.

	1	2	3	4	5
Setting up your organisation / Sefydlu elch sefydliad	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Identifying a suitable site / Nodi safle addas	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Securing a lease for site / Sicrhau prydles ar gyfer y safle	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Carrying out community consultation/engagement / Cynnal ymgynghoriad/ymgysylltiad cymunedol	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Carrying out a feasibility study / Cynnal astudiaeth ddichonolrwydd	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Carrying out an environmental survey / Cynnal arolwg amgylcheddol	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Securing funding available through Ynni'r Fro / Sicrhau cyllid sydd ar gael drwy raglen Ynni'r Fro	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Securing funding from other sources / Sicrhau cyllid gan ffynonellau eraill	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Applying for planning permission / Gwneud cais am ganiatâd cynllunio	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

(for hydro:) applying for a licence / (ar ddir:) Gwneud cais am drwydded

Finding a suitable contractor/installer / Dod o hyd i gontractwr/gosodwr addas

Securing a grid connection / Sicrhau cyswllt grid

And how important has any other support and advice you've received from your Technical Development Officer been to your project?

Again, please provide a rating on a scale for 1 to 5 for the things they have given you support or advice with, where 1= it was a help but we could have managed without it, and 5 = it was crucial, we could not have continued without it.

As for previous question, you only need to provide a rating for things you received support with.

A pha mor bwysig oedd unrhyw gyngor neu gymorth arall a gawsoch gan eich Swyddog Datblygu Technegol i'ch prosiect?

Eto, nodwch sgôr ar raddfa rhwng 1 a 5 ar gyfer y pethau y rhoddwyd cymorth neu gyngor arnynt i chi, lle mae 1 = roedd o gymorth ond byddai'n bosibl i ni ymdopi hebddo, ac mae 5 = roedd yn hanfodol, ni fyddai'n bosibl i ni barhau hebddo.

Fel y cwestiwn blaenorol, dylech ond roi sgôr ar gyfer y pethau rydych wedi cael cymorth i'w gwneud.

	1	2	3	4	5
General encouragement/moral support / Anogaeth gyffredinol/cefnogaeth foesol	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Help with business planning / Cymorth gyda'r cynllun busnes	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Help with legal issues / Cymorth gyda materion cyfreithiol	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Help with project management / Cymorth i reol'r prosiect	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Contacts with other organisations / Cysylltiadau â sefydliadau eraill	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Technical	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

advice/information /
Cyngori/gwybodaeth
dechnegol

Other / Arall



(please specify) / (nodwch)

*** Have you received any funding for your project from other sources not connected to the Ynni'r Fro programme?**

Ydych chi wedi derbyn unrhyw gyllid ar gyfer eich prosiect gan ffynonellau eraill nad ydynt yn gysylltiedig â rhaglen Ynni'r Fro?

- ☐ Yes / Do
- ☐ No / Naddo

***Who have you received it from?**

Wrth bwy gawsoch chi'r cyllid?

***How much have you received? Please enter the total amount you have received as a number, with no pound sign and no commas.**

Faint gawsoch chi? Nodwch y cyfanswm fel rhif, heb arwydd y bunt a heb gomas.

£

***What have you spent it on, or what do you intend to spend it on?**

Beth ydych chi wedi gwario'r arian arno, neu beth ydych chi'n bwriadu gwario'r arian arno?

***Have you received advice or support with any of the following from other sources not connected to the Ynni'r Fro programme? Please tick all that apply.**

Ydych chi wedi derbyn cyngor neu gymorth gydag unrhyw rai o'r canlynol gan ffynonellau eraill nad ydynt yn gysylltiedig â rhaglen Ynni'r Fro? Ticiwch bob un sy'n berthnasol.

- ☐ Setting up your organisation / Sefydlu elch sefydliad
- ☐ Identifying a suitable site / Dod o hyd i safle addas
- ☐ Securing a lease for site / Sicrhau prydles ar gyfer y safle
- ☐ Carrying out community consultation/engagement / Cynnal ymgynghoriad/ymgysylltiad cymunedol
- ☐ Carrying out a feasibility study / Cynnal astudiaeth ddichonolwydd
- ☐ Carrying out an environmental survey / Cynnal arolwg amgylcheddol
- ☐ Securing funding available through Ynni'r Fro / Sicrhau cyllid drwy raglen Ynni'r Fro
- ☐ Securing funding from other sources / Sicrhau cyllid drwy ffynonellau eraill
- ☐ Applying for planning permission / Gwneud cais am ganiatâd cynllunio
- ☐ (for hydro:) Applying for a licence / (ar gyfer dŵr:) Gwneud cais am drwydded
- ☐ Finding a suitable contractor/installer / Dod o hyd i gcontractwr/gosodwr addas
- ☐ Securing a grid connection / Sicrhau cyswllt grid
- ☐ General encouragement/moral support / Anogaeth gyffredinol/cefnogaeth foesol
- ☐ Help with business planning / Cymorth gyda'r cynllun busnes
- ☐ Help with legal issues / Cymorth gyda materion cyfreithiol
- ☐ Help with project management / Cymorth i reoli'r prosiect
- ☐ Contacts with other organisations / Cysylltiadau â sefydliadau eraill
- ☐ Technical advice/information / Cyngor/gwybodaeth dechnegol
- ☐ No additional support received / Ni chafwyd cymorth ychwanegol
- ☐ Other (please specify) / Arall (nodwch)

***What additional financial support do you think you will need in the future to progress your project?**

Yn eich barn chi, pa gymorth ariannol ychwanegol fydd ei angen amoch yn y dyfodol er mwyn datblygu eich prosiect?

- ☐ No additional funding needed / Nid oes angen cyllid ychwanegol
- ☐ Funding for preparatory work / Cyllid ar gyfer gwaith paratoadol
- ☐ Capital funding / Cyllid cyfalaif
- ☐ Other kinds of funding (please specify) / Mathau eraill o gyllid (nodwch)

***What additional advice or support do you think you will need in the future to progress your project? Please tick all that apply.**

Yn eich barn chi, pa gyngor neu gymorth ychwanegol fydd eu hangen amoch yn y dyfodol er mwyn datblygu eich prosiect? Ticiwch bob un sy'n berthnasol.

- ☐ Setting up your organisation / Sefydlu eich sefydliad
- ☐ Identifying a suitable site / Dod o hyd i safle addas
- ☐ Securing a lease for site / Sicrhau prydles ar gyfer y safle
- ☐ Carrying out community consultation/engagement / Cynnal ymgynghoriad/ymgyssylltiad cymunedol
- ☐ Carrying out a feasibility study / Cynnal astudiaeth ddichonolwydd
- ☐ Carrying out an environmental survey / Cynnal arolwg amgylcheddol
- ☐ Securing funding available through Ynni'r Fro / Sicrhau cyllid drwy raglen Ynni'r Fro
- ☐ Securing funding from other sources / Sicrhau cyllid drwy ffynonellau eraill
- ☐ Applying for planning permission / Gwneud cais am ganiatâd cynllunio
- ☐ (for hydro:) Applying for a licence / (ar gyfer dŵr:) Gwneud cais am drwydded
- ☐ Finding a suitable contractor/installer / Dod o hyd i gcontractwr/ gosodwr addas
- ☐ Securing a grid connection / Sicrhau cyswllt grid
- ☐ General encouragement/moral support / Anogaeth gyffredinol/cehogaeth foesol
- ☐ Help with business planning / Cymorth gyda'r cynllun busnes
- ☐ Help with legal issues / Cymorth gyda materion cyfreithiol
- ☐ Help with project management / Cymorth i reoli'r prosiect
- ☐ Contacts with other organisations / Cysylltiadau â sefydliadau eraill
- ☐ Technical advice/information / Cyngor/gwybodaeth dechnegol
- ☐ No additional advice needed / Nid oes angen cyngor ychwanegol
- ☐ Other (please specify) / Arall (nodwch)

How do you think the financial support available through the Ynni'r Fro programme could be improved in the future?

Yn eich barn chi, sut gellid gwella'r cymorth ariannol sydd ar gael drwy raglen Ynni'r Fro ar gyfer y dyfodol?

How do you think the advice and support available through the Ynni'r Fro programme could be improved in the future?

Yn eich barn chi, sut gellid gwella'r cyngor a'r cymorth sydd ar gael drwy raglen Ynni'r Fro ar gyfer y dyfodol?

***Thank you very much for taking part in our survey – we greatly value your input.**

Would you be willing for us to give you a call in the next few weeks to ask about your experiences in more depth? This would only take 30 minutes of your time and would be strictly confidential.

Diolch yn fawr iawn am gymryd rhan yn ein harolwg - rydym yn gwerthfawrogi eich mewnbwn yn fawr.

A fydddech chi'n fodlon i ni'ch ffonio o fewn yr wythnosau nesaf i holi am eich profiadau yn fanylach? Bydd hyn ond yn cymryd 30 munud o'ch amser a bydd yn gwbl gyfrinachol.

- ☐ I am willing to be re-contacted by Brook Lyndhurst and I understand that I will not be identified personally through the research and that my contact details will not be used for any other purpose / Rwy'n fodlon i Brook Lyndhurst gysylltu â mi eto ac rwy'n deall na fydd modd ein hadnabod yn bersonol drwy'r ymchwili ac na fydd fy manylion cyswilt yn cael eu defnyddio at unrhyw ddiben arall.
- ☐ I am not willing to be re-contacted by Brook Lyndhurst / Dydw i ddim yn fodlon i Brook Lyndhurst gysylltu â mi eto

Contact details**Manylion cyswilt**

Name / Enw	
Contact number / Rhif Cyswilt	
Best time to contact / Yr amser gorau i gysylltu â chi	
E-mail address / Cyfeiriad e-bost	
Language you would like to be interviewed in (English or Welsh) / Iaith yr hoffech gynnal y cyfweiliad ynddi (Saesneg neu Gymraeg)	

Characteristics of groups that have come into contact with Ynni'r Fro

Organisational characteristics

The table below shows the survey findings on the organisational characteristics of groups that have expressed an interest in receiving support through Ynni'r Fro.

Base: All groups (n=66)	Response (%)	Response Count
Which of the following best describes your organisation?		
Community Interest Company	8%	5
Company limited by shares	5%	3
Limited Liability Partnership	2%	1
Industrial & Provident Society (Bona Fide Coop)	3%	2
Industrial & Provident Society (Community Benefit Society)	9%	6
Company limited by guarantee	27%	17
Other Commercial Organisation	5%	3
Registered Charity	27%	17
Other Community Group	19%	12
Other	11%	7
How long has your organisation been running for?		
Less than 1 year	6%	4
1-2 years	3%	2
2-3 years	17%	11
4-5 years	9%	6
Over 5 years	65%	43
Which of the following best describes the aims and activities of your organisation?		
Climate change	2%	1
Renewable energy generation	27%	18
Community regeneration	49%	32
Other ⁹	23%	15

⁹ Other responses to this question included: "conservation", "community arts", "youth activities", "community hospice", "community heritage", and "all of the above".

Capacity and experience

The table below shows the findings from the online survey on the capacity and experience of groups that have come into contact with Ynni'r Fro.

Base: All groups (n=66)	Response (%)	Response Count
How many paid staff does your organisation currently have?		
0	49%	32
1-5	27%	18
6-10	8%	5
11-34	4%	2
35+	14%	9
How many unpaid staff/volunteers does your organisation currently have?		
0	8%	5
1-5	23%	15
6-10	29%	19
11-34	21%	14
35+	20%	13
Before expressing an interest in receiving support through Ynni'r Fro, how much experience did your organisation have of running community projects?		
None	9%	6
A small amount of experience	20%	13
A reasonable amount of experience	33%	22
A lot of experience	38%	25
Before expressing an interest in receiving support through Ynni'r Fro, how much experience did your organisation have of renewable energy generation?		
None	24%	16
A small amount of experience	42%	28
A reasonable amount of experience	18%	12
A lot of experience	15%	10
Before expressing an interest in receiving support through Ynni'r Fro, had your organisation run a community renewable energy project?		
Yes	18%	12
No	82%	54

Topic guide used in follow-up interviews with community groups

Duration	Introduction	Purpose
	<ul style="list-style-type: none"> • Introduce yourself and Brook Lyndhurst • Purpose of interview • Explain that you have their survey responses and would like to explore similar issues/questions, just in a bit more depth • Confidentiality & how responses will be used 	
	1. The Organisation	
2-5 mins	<p>To start off it would be good if you could tell me a bit about your organisation, in terms of what you do, how long you've been going for, where you are based and so on?</p> <p>And how is your organisation structured?</p> <ul style="list-style-type: none"> • How are decisions made? • How much contact/engagement do you have with your local community? <p>What initially motivated your organisation to develop a community renewable energy project? i.e. was it about giving local people access to cheaper energy, about the environment or about generating income through selling energy back to the grid?</p> <p>What previous experience did your organisation have of developing community renewable energy projects?</p> <ul style="list-style-type: none"> • Experience of running community projects in general? • Experience of renewable energy generation specifically? <p>Has your involvement in Ynni'r Fro had any impacts on your organisation?</p> <ul style="list-style-type: none"> • Eg. have you taken on any new staff? Gain new skills/more confidence? Had more engagement with your local community? 	<p>To confirm the information collected through the survey and get more detail on the dynamics of the organisation.</p>

	2. Engagement with Ynni'r Fro	
2-5 mins	<p>Why did you decide to submit an Expression of Interest (EOI) to Ynni'r Fro? What did you want to get out of it?</p> <p>How many EOIs have you submitted to Ynni'r Fro? Were these all for the same project or for different ones?</p> <p>What was the outcome of this EOI/these EOIs? i.e. did they subsequently receive support through the programme for that project? If not, why not? What reasons were you given?</p>	To briefly establish the nature of their engagement with Ynni'r Fro. This is potentially complicated, so worth clarifying here. Groups may have submitted more than one EOI to Ynni'r Fro, for more than one project.
	3. The Project	
2-5 mins	<p>Can you tell me a bit more about your current/most recent project?</p> <ul style="list-style-type: none"> • What technology are/were you intending to use? • What scale are/were you intending it to be? (ie. what is/was the anticipated capacity in kWh?) • What stage was the project at when EOI submitted? • What stage is the project at now? <p>Who within the organisation was/is working on your project?</p> <ul style="list-style-type: none"> • Who does what on the project? • What kinds of skills and experience did they have in doing this kind of thing prior to the project? • How much of their time have they spent on it? • Has this changed/did this change during the development of the project? 	To briefly establish the nature of the project they've submitted an EOI for, focusing on their current/most recent one.
	4. Key Challenges	
10 mins	<p>What have been or were the main challenges to developing your project? (Ask as an open question, then if necessary prompt with those they identified in the survey as challenges from list below:)</p> <ul style="list-style-type: none"> • Shortage of time/capacity within organisation? • Shortage of skills/experience within organisation? 	To explore key challenges they've experienced and how these have influenced the development of the project.

	<ul style="list-style-type: none"> • Legal issues? • Inability to find suitable site? • Difficulties securing lease for site? • Lack of local support/local opposition? • Shortage of funding for preparatory work (e.g. in feasibility/planning stage)? • Shortage of capital funding? • Difficulties getting planning permission? • (for hydro:) Difficulties getting a licence? • Difficulties securing grid connection? • Difficulties finding suitable contractors/installers? <p>(For each of the main challenges they have experienced, explore:)</p> <ul style="list-style-type: none"> • Nature of the challenge - e.g. if it was a legal issue, what was the issue? If it was a shortage of funding, funding for what? Etc. • When in the project did it occur? Was it a one-off issue or is it an on-going challenge? • What steps have you taken to address or get round it? • What has been its impact on the project? I.e. just a delay/ inconvenience or did this actually lead to the project being stalled/abandoned? 	
10 mins	5. Support received <p>In the survey you said you had received support from your Ynni'r Fro technical development officer with xxx, yyy, zzzz, could you tell me a bit more about what that support involved?</p>	To explore the perceived value and impact of the support they have

(For each of the areas they received support with, explore:)

- Nature of the support?
- Level of support? (eg. a couple of emails or more intensive, on-going help)
- Importance of support to development of project? Why important/unimportant?
- Is there any way this support could have been better? And if so, how?

In the survey you also said you had /hadn't received financial support through Ynni'r Fro, is that right?

(For those who have received financial support, explore:)

- How much received?
- How it has been/is being used?
- Whether it was a grant or loan? What they think about this?
- Importance to development of project? Why important/unimportant?
- Is there any way this support could have been better? And if so, how?

To what extent has the support you've received through Ynni'r Fro met your needs?

- Has there been any support you wanted but didn't get through the Ynni'r Fro programme? What support? What difference do you think this would have made?

How would your project have developed without the support you've received through Ynni'r Fro?

- Would it still be going? Would it have developed to the stage it is now? Would you have done anything differently?

What support have you received from other sources not connected with Ynni'r Fro?

received through Ynni'r Fro, and how they think this could be improved.

*If they have not received support through Ynni'r Fro, focus on what support they would have wanted from Ynni'r Fro and what support they may have received from other sources.

	<p>What other sources of support are you aware of?</p> <p>Has the amount or nature of support you've needed changed at all during the development of the project? How? Why?</p>	
5 mins	<p>6. Future support needs</p> <p>Looking ahead, what do you think are going to be the main challenges to developing your project?</p> <p>How confident are you that you will be able to address these? Why?</p> <p>What non-financial support do you think you are going to need to address these? When? What? How much? In what form?</p> <p>What financial support do you think you are going to need to address these? When? What? How much? In what form?</p> <p>What would your advice be for the Welsh Government about how it can best support organisations like yours in the future?</p> <ul style="list-style-type: none"> • What sorts of support are other organisations likely to need to develop community renewable energy projects? • What would be the best way for the Welsh Government to advertise/deliver/provide this support? 	<p>To explore the kinds of support they are going to need to develop their project.</p>
	<p>Thank and close</p>	

Topic guide used in stakeholder interviews

Duration	Introduction	Purpose
5 mins	<ul style="list-style-type: none"> • Introduce yourself and Brook Lyndhurst • Purpose of evaluation (to assess the effectiveness of the programme and suggest improvements) • Research process (policy review, interviews/survey with community groups, interviews with key stakeholders, final analysis and reporting) • Purpose of interview (understand what the programmes progress has been to-date and any barriers, allow stakeholders and opportunity to comment on existing support and make recommendations for future programme) • Timing (interview will last 30-40 minutes) • How information will be used (insights from the interviews will be analysed in conjunction with data from community projects to identify key impacts, effectiveness of processes and suggestions for improvement) • Explain confidentiality (interview data will be summarised and anonymised before it is fed back. Encourage honest and open responses) 	Explain purpose of research and interview process.
5 mins	Background	
	<ul style="list-style-type: none"> • The organisation you represent • Your role <ul style="list-style-type: none"> ○ Generally ○ Community renewable energy • Nature of involvement with YF or other similar programmes (Scotland/England) <ul style="list-style-type: none"> ○ When did you become involved ○ Extent of involvement (operational role in YF, strategic level involvement in YF/other community projects, level of contact with individual YF projects). ○ Design, management and/or delivery? ○ Types of issues/groups/technologies ○ Engagement with whom (EST, TDOs, groups, other stakeholders?) 	To understand their role, awareness of YF and extent of involvement with the programme.

10 mins	<p>Strategic barriers and opportunities for developing community renewable energy</p> <p>What are the main strategic issues associated with developing community renewable energy in Wales, from your perspective?</p> <ul style="list-style-type: none"> • Challenges? • Opportunities • Specific examples? • What do you feel the role of Ynni'r Fro is in relation to these issues? • How can the programme best address/work around these? <ul style="list-style-type: none"> ○ Planning/consenting ○ Environmental issues ○ Community development needs/capacity ○ Finance ○ Employment and skills ○ Fuel poverty ○ Sustainable development 	<p>Explore strategic barriers and opportunities for developing CRE in Wales and how well the YF programme fits into that</p>
10 mins	<p>Progress towards targets and key barriers</p> <p>Can you tell me what you think the purpose of the programme is, as you see it?</p> <ul style="list-style-type: none"> • What are your expectations of the programme? <p>What do you think the impacts have been so far in relation to the following (as appropriate)?</p> <ul style="list-style-type: none"> • Sustain social enterprises by providing an income stream from Feed in Tariffs • Provide on-going advice and support to communities through requiring social enterprises to do so as 	<p>To understand perceived purpose of the programme, assessment of impacts from a range of different perspectives.</p>

	<p>condition of grant</p> <ul style="list-style-type: none"> • Build skills and experience in development, installation, maintenance and management of renewable energy installations • Invest in renewable energy generation and demonstrate best practice in an emerging field <p>What have been the key successes and challenges?</p> <p>What examples do you have to support this?</p>	
10 mins	<p>Effectiveness of processes</p> <p>Thinking about how the programme functions; how effective do you feel the processes have been for delivering support? What has worked well/not so well? Can you give specific examples of this?</p> <ul style="list-style-type: none"> • Administration and monitoring <ul style="list-style-type: none"> ○ Eligibility criteria for receiving support/decision-making processes(type/location/ambition) ○ Marketing/communications ○ Knowledge and capacity of communities and/or TDOs in developing renewable energy schemes (becoming intelligent developers) ○ Monitoring progress against targets • Nature and extent of support offered <ul style="list-style-type: none"> ○ Non-financial support ○ Financial support • Governance and stakeholder involvement <ul style="list-style-type: none"> ○ Role and responsibilities of programme managers/deliverers (WG, EST, TDOs) ○ Role of other organisations (WCVA, Local Planning Authorities, Natural Resources Wales) 	<p>To understand how the programmes processes for monitoring and delivery influence its impact</p>

5 mins	<p>Suggestions for improvement</p> <p>Do you have any suggestions for how the programme could improve its impact over the coming months, across the areas we have just discussed?</p> <ul style="list-style-type: none"> • Key targets • Administration and monitoring • Nature of support offered • Governance & stakeholder involvement • Skills and knowledge of communities and/or TDOs • What is the role of other organisations in delivering programmes such as this? <ul style="list-style-type: none"> ○ Key challenges ○ Opportunities <p>Do you have any broader suggestions about how successor programmes might be designed or managed to improve their impact on the development of community renewable energy in Wales in the future?</p>	<p>To explore potential enhancements to the programme in the near term and longer term suggestions for programmes that support the community renewable energy sector.</p>
	<p><i>Make invitation to attend stakeholder workshop (ideally pass on date if possible)</i></p> <p><i>Thank you and close</i></p>	