

Meeting of the Cross Party Group on Co-operatives and Mutuals, 06/10/21

Virtual Meeting

Attendees

Name	Organisation
Vikki Howells (Chair)	Member of the Senedd
Luke Fletcher (Vice Chair)	Member of the Senedd
Huw Irranca-Davies	Member of the Senedd
Peredur Owen Griffiths	Member of the Senedd
Mark Isherwood	Member of the Senedd
Holly Cross	CARE
Robert Proctor	Community Energy Wales
Dan McCallum	Awel Aman Tawe/Egni Co-op
Derek Walker	Wales Co-operative Centre
Glenn Bowen	Wales Co-operative Centre
John Chown	Wales Co-operative Centre
Karen Lewis	Wales Co-operative Centre
Daniel Roberts	Wales Co-operative Centre
Mike Erskine	Wales Co-operative Centre
Ceri-Anne Fidler-Jones	Wales Co-operative Centre
Melusi Moyo	Wales Co-operative Centre
Ward Coster	Wales Co-operative Centre
Hannah Morris	Wales Co-operative Centre
Andrew Jenkins	Senedd Cymru (Member Support Staff)
Charlotte Knight	Senedd Cymru (Member Support Staff)
Dyfan Lewis	Community Energy Wales
Eirwen Malin	Wenvoe Forum
Eleri Cabbage	Senedd Cymru (Member Support Staff)
Harry Thompson	Institute of Welsh Affairs
Ian MacKinlay	Thinking The Future Ltd.
James Wright	Co-operatives UK
Robin Lewis	Senedd Cymru (Member Support Staff)

Minutes of the Meeting

The Chair of the Cross Party Group, **Vikki Howells MS**, started the meeting by discussing community energy projects, their importance to Wales achieving net zero. The Welsh Government has set out its legal commitment to achieve net zero emissions by 2050 and has highlighted the importance of achieving this in an inclusive and sustainable fashion - in its Programme for Government, it refers to a 'spirit of cooperation and not competition.'. Community energy can play a key role in achieving this by working with communities and increasing citizen engagement and participation, making people active agents in how their communities change and adapt.

Vikki Howells MS gave an overview of the sector, stating that the community energy sector is already growing in Wales, and that it employed over 79 people in 2020, raised over £4.4 million in community shares, and six organisations installed new renewable electricity projects across the country.

The first speaker was then introduced. **Robert Proctor of Community Energy Wales** gave further detail on why setting up community energy projects is a worthwhile endeavour, despite the hard work, volunteering and time that it takes. He said that these groups are often formed as Community Benefit Societies, so 100% of the profits go to the local community, and are controlled by local members. It presents an opportunity to invest and make a modest but real profit for local people, but also crucially acts as an opportunity for engaging the local community. The projects have a key role in producing green energy at a local level, but also create economic benefits in the communities they are based in – by creating jobs directly and local contractors, keeping that value in the community.

Rob then gave an overview of the recent 2020 State of the Sector report, which can be accessed [here](#). It shows that the sector is growing in Wales and already creates jobs, has a considerable economic impact for local communities, and is an important source of green energy. Wales has the highest number of community energy projects per capita of any UK country. However, there is more that can be done to help the sector grow, such as facilitating the selling of the energy produced to the local community, connecting to the National Grid (which is currently prohibitively expensive), providing access to land (which is currently a major obstacle to many types of community projects, but could be helped by a widescale asset review across Wales), and engaging local communities at all stages of local and national decarbonisation plans, enabling them to take a greater control of the changes that need to be made.

The second speaker was **Dan McCallum of Awel Aman Tawe and Egni Co-op**. Dan reiterated the hard work that is necessary for some of these projects to get off the ground, but also provided examples of some projects that, with the right backing, are able to make a real impact quickly, such as a recent project with Newport Council (<https://www.local.gov.uk/case-studies/newport-city-council-community-renewable-energy>). Dan emphasized the importance of one of the key impact that energy co-operatives can make in engaging local people in the decarbonisation and green agenda, and encouraging them to make important behaviour changes. These organisations can also engage people in co-operative and community-led movements more generally, across different sectors, and educate them on the tangible impact they can make. Dan made the point that these values of social good and co-operation should be included in the procurement work within the public sector, as local resources are being lost from communities and going to multinational corporations. He stated that his recent work in Newport is a great case study, and wants to work in a similar way with other local authorities in Wales.

The final speaker was **Holly Cross of CARE in Cwm Arian**. Holly again stated that the process they had been through was extremely difficult and challenging, but that the successful launch of their wind turbine had made a real impact, both in terms of energy production and as a symbol of what communities can do. However, it was important to note that the process must be learned from and made easier. She stated that the wind turbine had acted as a platform to do even more and create more added-value in the local community. It had created jobs and given them the opportunity to access more funding and investment, as well as giving those who had worked on it new skills and a newfound confidence, and the group have now moved onto to new areas of working on energy and resource efficiency. Some of the key learning points have been that capacity on the grid is a problem, with several bureaucratic problems that must be fixed, and that Local Authorities need to do more to support these groups – but said that there were several good examples to learn from. Holly also reiterated that access to land use for community groups was pivotal.

Following the speakers had given their contributions, **Vikki Howells MS** thanked them and invited the Members of the Senedd present at the meeting gave their thoughts. **Huw Irranca-Davies MS**

discussed the positivity of there being so many organisations working in this sector in Wales. He wanted to identify the practical barriers to helping these and new organisations to grow even further, especially in deprived communities where there may be fewer people with the skills and expertise to dedicate time to these projects. He noted specifically the land issue, and said that this is one of the key issues facing Wales at present.

Luke Fletcher MS said he was happy that this was being discussed, because it is a vital aspect to getting to Net Zero emissions as has been targeted by the Welsh Government. He spoke of the need to bring communities with us on this mission, and the importance of a just transition that prioritised ending poverty. He asked the question of how we bring communities along with us on this journey, and how community energy projects can be an important answer to this. **Peredur Owen Griffiths MS** also spoke of the need to get buy-in from communities for projects of this nature, rather than imposing on them, and that projects like these can be community-led and a crucial solution.

James Wright from Co-operatives UK gave a perspective from the UK-level. He said that there was no clear strong policy objectives in BEIS for community energy (generation or other activities). At Conservative Party Conference, the BEIS Minister had agreed that communities and co-operative action in communities could be an enabler of behavioural change such as the take up of retrofit. But clearly there has been no solid policy thinking in BEIS on this. Co-operatives UK is publishing research on co-ops and climate action, and a joint declaration from large UK co-ops ahead of COP26. One demand of governments will be to utilise communities and co-operatives as an enabler in implementing net zero strategies, esp in retrofit, heat and energy use.

Harry Thompson from the IWA asked a question on the potential for legislation to give communities an opportunity to gain ownership or control of public land that was being sold. **Huw Irranca-Davies MS** believed that this is an important issue, and that what has been done in Scotland can be an example to Wales, noting that this could be an area for cross-party working on a joint-legislative process. The panellists agreed that this would be beneficial, and also noted that tendering processes' financial requirements often meant they were inaccessible to community schemes, and that first refusal should go to local communities rather than inviting multi-nationals to tender. They also noted that specialist support for community groups is essential for competing with the private sector.

Derek Walker from the Wales Co-operative Centre asked whether the current situation around energy prices in the UK could be good for community energy projects in making them more viable, despite the negative impact they have for consumers. **Dan McCallum** agreed, but that the projects should be more about getting cheaper electricity to people and should be about educating people about climate change. He noted a recent example of a project in Caerphilly, which had a viable model and project, but that it was taking too long, and public sector organisations need reform and education to ensure these projects can happen at pace and scale.

Glenn Bowen from the Wales Co-operative Centre asked about the job creation and innovation in the sector. **Rob Proctor** said that it was a small but growing sector, directly employing 79 people in Wales but creating more jobs indirectly. He also noted that these jobs needed to be innovative, and that this innovation can come from small organisations and not just R&D departments in MNCs – it was this type of innovation that is needed to reach net zero. **Holly Cross** also discussed how these groups were embedded in communities, their local knowledge of contractors and suppliers meant that the sector was definitely creating much more jobs locally, indirectly. **Dan McCallum** also noted the ethics of the organisations – for example, they had recently learned of human rights abuses in the production of solar panels, and had switched suppliers as a result. He spoke of the need to do

this work as ethically and sustainably as possible, and ideally these resources would be from Wales itself, rather than the other side of the world, because of the environmental and economic benefits that would come from this.

Vikki Howells MS then closed the meeting, thanking the participants, organisers and audience.