

Community Newsletter from DOLWYDDELAN RENEWABLE ENERGY PROJECT



At a sub-committee meeting held in September 2017, the issue of an increase in business rates for community hydro schemes was discussed. This was first announced in May 2017 and caused immediate concern as to the viability of the project. This would mean that all the surplus funds and perhaps more than the surplus funds available would need to be utilised to settle the annual business rates bill.

The non-domestic rates for any business are set by the Valuations Office, and an announcement was expected from Welsh Government in response to this increase. In the budget statement in December 2017, some mitigation was announced, whereby 100% rate relief would be provided to existing community hydro schemes for 2017/2018 and 2018/2019. As this would not help Dolwyddelan's case, the leader of the council wrote to Lord Dafydd Elis-Thomas, however, no further assistance was forthcoming.

In parallel to this, we approached the Development Bank of Wales to seek the additional funding required to finance the project. The commercial business plan for the scheme did not now appear viable, as the income generated by the scheme could not support the loan repayment, the increased business rates, the need to replace assets in the future and still have revenue to reinvest in the community.

The Welsh European Funding Office were seeking confirmation that the project was feasible and would go ahead, as they needed to allocate funding prior to the end of 2018, before the UK leaves the EU.

In the light of these challenges, regrettably, it is necessary to withdraw the project as proposed, as Conwy County Borough Council cannot proceed with a scheme that will ultimately expose the community to financial liabilities that they are unable to fulfil.

However, there is the possibility that a community heating or renewable fuel for vehicles scheme can be explored, utilising the hydro power, the information contained within the report that was commissioned by Conwy County Borough Council by Uniper Technologies can be further utilised for any new scheme. Steve Teal will be progressing this proposal and will keep you updated in future community meetings, and Conwy will still fully support Dolwyddelan to look at other renewable schemes in their objective to be a sustainable village.