PROJECT COLLETTE

PROJECT COLLETTE'S COMMUNITY FINANCE INVESTMENT PLAN

Accelerating Shared Ownership

NOVEMBER 2024

GREEN FINANCE COMMUNITY HUB
making it happen

greenfinancecommunityhub.co.uk/project-collette

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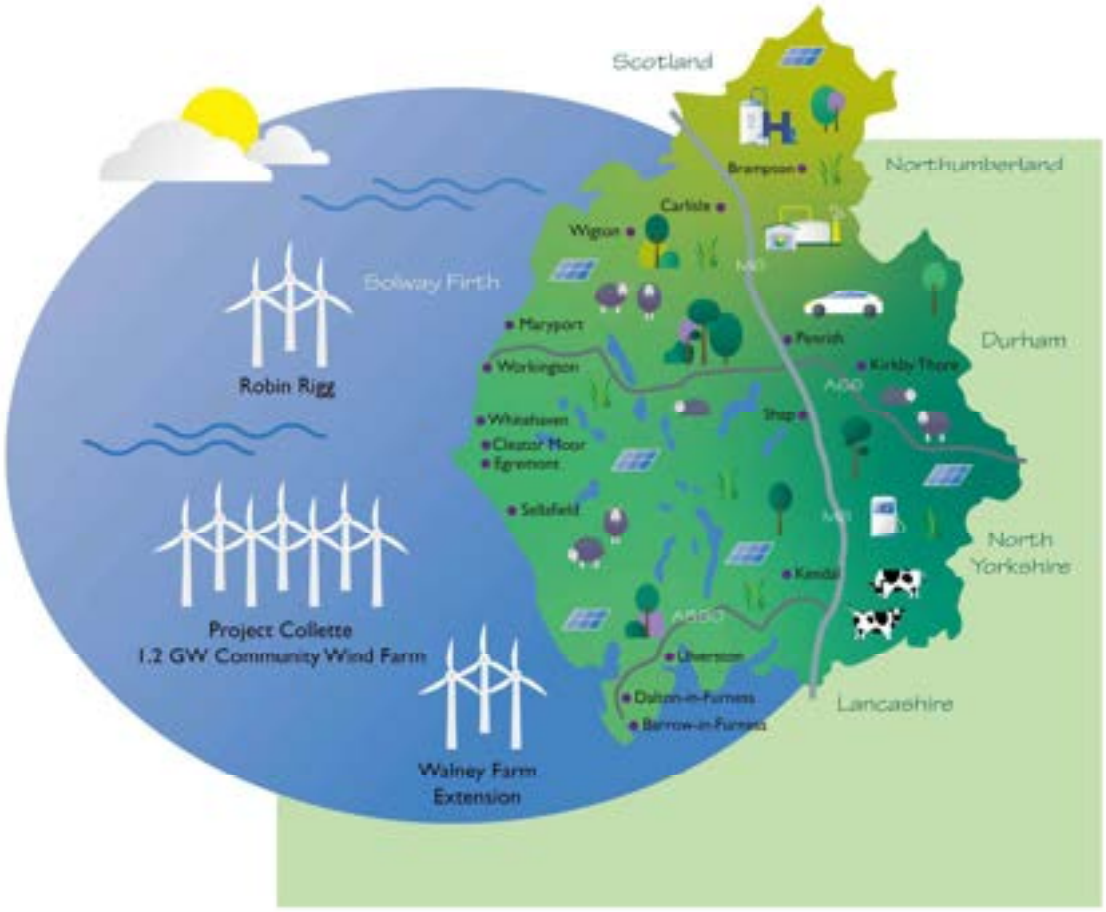
ABOUT PROJECT COLLETTE

Project Collette (as in collective) is a proposed 1.2GW (80–100 wind turbines) offshore wind farm off the coast of Cumbria that aims to be a shared asset that will be nationally and community-owned. A proportion of Collette's profits will be ploughed back into the local area in Cumbria, as well as go to other coastal communities along the Irish Sea in England, Wales, Scotland and Northern Ireland – optimising value and impact across the UK.

Project Collette is being developed and incubated by the Green Finance Community Hub CIC, in partnership with ARUP and Energy 4 All. With fantastic support from Cumbria Action for Sustainability (CAfS), Abundance Investment, Britain's Energy Coast Business Cluster (BECBC) Ethex, Enterprising Cumbria and many others.

The Hub's theory of change is underpinned by enabling community transformation, social value, and community ownership. The Hub was set up in May 2022 as a Community Interest Company (CIC), with an asset lock to a local sustainability charity.

'At the heart of what we do is community wealth building. We help incubate climate mitigation and nature-based projects to become more investable so that emissions can be reduced, and the community gets to to benefit and decide where green finance is needed most – locally'.
Ciara Shannon, Green Finance Community Hub CIC



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REPORT OVERVIEW

Report Aims

This report shares our thinking on how the community could have an ownership stake in Project Collette. We believe that there is a tremendous opportunity for local communities to have more of a substantial ownership in offshore wind - not as a privilege, but as a fundamental right. We have endeavoured to create a model that protects the community from multiple risks, while also empowering them to be part of the financial upside and be active stakeholders in the success of the project.

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With Thanks:

This report would not have been possible without Community Energy England (CEF) stage 1 grant funding, the support from the North West Net Zero Hub and a grant from the Sainsbury Family Charitable Trust's Climate Change Collaboration. We would also like to thank everyone who attended our stakeholder workshops and responded to our stakeholder survey.

Report Background and Methodology

- Project Collette was first outlined in our Green Investment Plan Cumbria report (2021) when we commissioned ARUP to expand on their ideas.
- In 2024, Collette's Feasibility Study found 'significant potential' to develop a 1.2GW offshore wind farm to go on a level out to sea with Sellafield, approximately 20-30km from the coast, roughly as a rectangle of 10km width by 20km length.

Technically, this was not only the conclusion of our Feasibility Study, but this area and beyond, was identified as part of The Crown Estate (TCE) Round 4 leasing process, and by the British Geological Survey (BGS) in their review of the seabed previous to that.

- In addition to our Feasibility Study, this Report includes findings from our Finance Model and Finance In addition to Collette's Feasibility Study, this report includes findings from our Finance Model and Finance Strategy (2024), which we commissioned Poseidon Services to do. It also draws on Cumbria LEP's distributed renewable energy research (2024).
- This report considers Project Collette's Stakeholder Engagement Report (2024) which was done by Cumbria Action for Sustainability (CAfS) and our survey was done by Red Research.
- It also draws on Cumbria LEP's distributed renewable energy research (2024).

Community Investment Principles – 'New' and 'Now' Investment Lens

This report is defined by its community principles, as well as the UK's significant experience and global leadership in the development of regulated crowdfunding. Our goal is to allow the community investor to benefit from higher-return, higher-risk investments suitable for sophisticated local investors, while also offering lower-risk, lower-return options accessible to retail investors.

To indicate the investability and feasibility of our various finance proposals, we have considered them with a 'New and Now' delivery and investment lens.

- 'New' means that this is a new idea that will require a fresh approach (for example new financing mechanisms and frameworks), feasibility and new policy/legislation.
- 'Now' means that it is possible to implement this idea relatively quickly as frameworks and policy are already in place. Now also recognises more work needs to be done.

What Do You Think of Project Collette's Plans?

Please contact us at collette@greenfinancecommunityhub.co.uk.

FOREWORD

Josh MacAlister OBE
Labour MP for Whitehaven and Workington

Making it Happen

The Prime Minister's recent announcement of an 81% emission reduction target by 2035 marks a bold step for the UK's climate goals, with offshore wind playing a key role in achieving this goal. This ambition is backed by the Government's new borrowing strategy that aims to unlock £100bn into clean energy and green infrastructure. With this new funding approach, there is a real opportunity to enhance the financial viability of offshore wind projects, making them more accessible and sustainable for local communities.

Cumbria plays a significant role in the UK's energy security and it is fantastic to see progress with Project Collette which aims to be England's first community owned offshore wind farm. It has also been encouraging to read Project Collette's survey (2024) which found that of 578 people interviewed, 64% were supportive of plans for Project Collette, increasing to 73% of those under the age of 50. A third of respondents said they would consider investing in renewable energy projects and this is a good basis for Project Collette to build from.

The more community engagement work that can be done the better as there is still a disconnect, and not just in Cumbria, between large offshore wind projects and local communities. Getting finance flowing into coastal areas is essential and Project Collette sets out a blueprint for community-led offshore wind finance, which could be truly transformative across the UK.

Dr Rhian-Mari Thomas OBE
Chief Executive, Green Finance Institute (GFI)

Financing Climate Action Locally

Shared ownership of renewable infrastructure can play a vital role in helping the UK to meet its net zero targets. Project Collette demonstrates that the right mix of innovation, partnerships, and financial solutions can enable local communities to have a stake in offshore wind farms, bringing tangible economic and social benefits to coastal communities across the UK.

This report outlines a portfolio of pioneering local and regional investment concepts, offering replicable models to encourage localised investment, attract institutional capital, and drive engagement on achieving energy security and climate goals within communities. The Green Finance Institute (GFI) recognises the importance of local decarbonisation models – from our Local Climate Bonds Campaign in partnership with Abundance Investment, to our collaboration with Greater Manchester Combined Authority (GMCA) to scale retrofit finance in the region.

Sharing examples of innovative, replicable and scalable financial solutions to channel capital towards transitioning our economy is becoming increasingly important and we welcome the timely publication of this insightful report.

EXECUTIVE SUMMARY

Offshore Wind - The Bedrock of The Clean Power System by 2030

Achieving the Government's ambitious 81% emissions reduction target by 2035 hinges on offshore wind playing a pivotal role and the pace of offshore wind deployment will need to increase significantly. However, for this expansion to be successful, community engagement and ownership must be at the heart of the strategy. Empowering communities with a stake in these projects will not only ensure local support but also allow communities to share in the economic and social benefits of the clean energy transition.

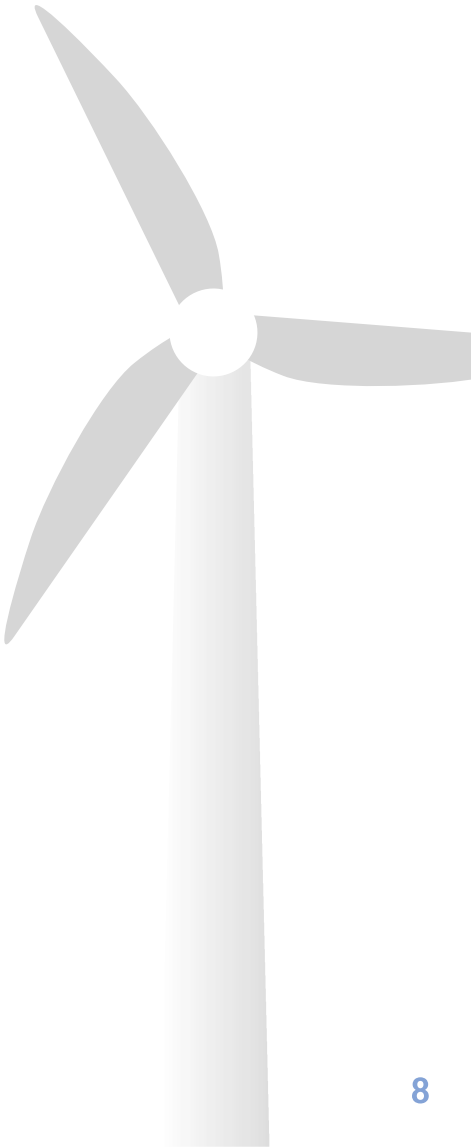
> *'Offshore wind is the only technology available at sufficient scale to deliver clean power by 2030.'*
> **Clean Power 2030, National Energy System Operator (NESO)**

We believe local communities should have a substantial stake in offshore wind as a right, not a privilege, and Project Collette has the potential to be genuinely groundbreaking in how she is owned and financed, making a major difference to the Cumbrian economy and other coastal communities along the Irish Coast.

Community organisations are making a valuable contribution to the UK's energy transition and in this report, we've explored various approaches to make Project Collette a community asset. We have focused on giving communities a more active role in the governance, decision-making, and profit-sharing of offshore wind, from the outset.

While not typical bedfellows, blending community finance with non-recourse finance has required careful structuring. We have considered the interests of institutional investors, while enabling the community to shape and have a stake in an offshore wind project, without bearing the full financial risk.

Central to our thinking is that there is a Joint Venture (JV) between Collette's Community Benefit Society (CBS) representing the community and GB Energy that would provide technical expertise, financial backing, and government guarantees. GB Energy's investment in Project Collette could be structured to allow for 50% community ownership, provided the project design explicitly incorporates mechanisms for community involvement and equity sharing. Plus, their role as an anchor investor would help de-risk the project and Collette's CBS would represent the collective interests of local communities.



Dividends or surplus profits would be reinvested into coastal community projects in West Cumbria and along the Irish Sea, helping to tackle fuel poverty or invest in local net zero infrastructure. These ideas and more are outlined as part of our pioneering Community Integrated Investment Model (CIIM).

The demand for innovative approaches to community ownership in renewable energy has never been more urgent, especially since traditionally offshore developers in the UK have 'offered' varying degrees of community benefits - often through voluntary funds or one-time grants – which do not facilitate long-term local participation or sustainable financial returns. To effectively address this challenge, it is essential to develop models that empower communities, ensuring they have a meaningful stake in the renewable energy projects that affect them.

Project Collette Aligns with GB Energy's Vision

Central to our thinking is that GB Energy invests in Project Collette, partnering with the community and other private and institutional investors to finance Collette as a Special Purpose Vehicle (SPV) (which is a subsidiary company holding all project assets and liabilities, created to isolate financial risk and facilitate specific business activities).

This aligns with GB Energy's focus on innovative financing solutions that leverage public and private investments. It is also consistent with the Local Power Plan that emphasises the importance of involving local communities and local authorities in energy projects. If successful, this partnership could serve as a blueprint for other offshore wind projects across the UK and beyond, amplifying its impact.

A Nationally Important Community Asset

Strategically, Project Collette could become a nationally owned community asset given its potential to make a significant contribution to the UK's renewable energy and community energy objectives. With the involvement of Sellafield as a major offtaker, the project's nationally important energy security impact would be further amplified.

Project Collette's Investment Opportunity

Based on findings from our Finance model -

- Stage 1 – Pre-Development: £5m
- Stage 2 – Development and Planning: £105–135m
- Stage 3 – Capital Expenditure (CAPEX): £3.3bn
- Stage 4 – Operations (OPEX): £90m a year

Our Finance Model was found to create an IRR of 9.3%; this was based on a project debt to equity ratio of 80:20 and a Weighted Average Cost of Capital for the equity investors of 6.5% (debt rate was based on market prices).

Early Challenges

A major early challenge for Project Collette will be in raising the early-stage 'seed-development' finance (£5m) required to secure an Agreement for Lease (AfL) and to perform the necessary upfront work to make the project viable.

While our Financial Model promises significant value for investors, with low power prices and a good Internal Rate of Return (IRR), the upfront risk profile for the project is such that it is not realistic to raise all capital through the retail market to progress it to AfL.

The absence of tax reliefs for renewable energy projects add to the financing challenges, especially in the high-risk pre-development phase. In the past, incentives like the Enterprise Investment Scheme (EIS) and Seed Enterprise Investment Scheme (SEIS) were available to encourage early investment by providing tax reliefs, thereby mitigating some investor risk.

Currently, big corporations and utilities have many advantages, including access to better financing terms and greater liquidity. In contrast, community groups face challenges in raising capital and struggle to compete with the financial and technical expertise of larger entities. In the past, communities have not been offered the opportunity to participate fully in the different investment phases of larger-scale projects such as offshore wind.

The result of this is that communities have not been involved in the significant investment returns that are available to investors in the early stages of development of offshore wind projects. Instead, they are offered ower-yielding opportunities in the later stages (i.e. operational assets) through partial ownership models (buying a single turbine) or refinancing existing investors through a bond or a debenture.

Key Recommendations

Within this report, we propose five community led investment proposals that are informed by our community investing principles. It is useful to think of these various ideas as a Rubik's Cube: while each piece can move independently, they are far more impactful when considered as a cohesive whole. Just as aligning the colours on the cube requires strategic manoeuvring, integrating our community finance concepts, local engagement, and innovative funding mechanisms will lead to a more effective outcome for Project Collette and the communities it aims to serve.

Proposal	Summary	Readiness
Project Collette CIIM	Our Community Integrated Investment Model (CIIM) model is the main proposal in this report and while it is a new idea, it applies best practice from community finance (exempt from regulation), community municipal investments and regulated crowd-funding sectors to provide appropriate investment opportunities to small investors local and national) at each stage of Collette's project development. With a Community Benefit Society (CBS) at the heart of the model, issuing a mix of equity (community shares), debt (community bonds) which are exempt from financial regulation, the model also taps into the capacity of the local authority to raise debt finance through its community (a lower risk, lower cost option to enable the widest possible franchise of local investors) to invest directly. Regulated crowdfunding models such as Public Offer Platforms will provide the means to scale up investment from the public good by the general public. This hybrid structure ensures the broadest franchise of investors are able to participate in a way that suits their different financial needs.	NOW
Project Collette - Nested Bond	Project Collette could also be financed through a nested bond which is issued to the market and secured on the assets of a local authority's balance sheet. The proceeds could be used to invest in further bonds issued by a regional authority and/or potentially GB Energy.	NOW
Project Collin (as in collective)	Project Collin would support the capacity-building phase of Project Collette by investing in and bringing commercial renewable energy projects into community ownership. Project Collin would also help build up Collette's community of investors and generate opportunities for local membership and investment into smaller-scale renewable energy projects. Project Colin would help demonstrate the benefits of directing money to invest in local projects.	NOW
Project Collette Mandated Community Ownership in Auction Rounds	In future auction rounds (such as those managed by Crown Estate or Crown Estate Scotland), developers would be required to allocate a portion of the ownership e.g, 20 to local communities or citizen cooperatives. This would ensure that residents have a direct financial stake in the project which could turn out to be a game-changer. This approach could transform the dynamics of renewable energy projects, especially offshore wind, by embedding local communities directly in ownership structures.	NEW
Project Collette's Sea Lords of the West	Project Collette - rather than become its own community owned offshore wind farm, could instead serve as a community landlord/'sealord' on behalf of the Crown Estate. A percentage of the sea bed could be leased to Project Collette's CBS who would then manage the site as a demonstrator community owned offshore wind project. Developers would 'lease' the site from Project Collette's CBS and profits distributed evenly to coastal communities along the Irish Sea.	NEW

To give an indication of their investability and feasibility, we have considered these ideas with a 'Now and New' investment lens.

Now means that it is possible to implement this idea relatively quickly as frameworks and policy are already in place.

New means that this is a new idea that will require a fresh approach (for example new financing mechanisms and frameworks), feasibility and new policy/legislation

Now

- For all three proposed finance structures for Project Collette – a **Community Integrated Investment Model (CIIM), a Nested Bond and Pooled Community Bonds**, there are already the frameworks and policies in place to make these ideas happen 'now'.
- Project Collin – 'now' while it is a new idea there are already frameworks for bringing commercial assets in the market.

New – Easier Wins

- Mandated Community Ownership in Auction Rounds – In auction rounds, developers would be required to allocate a portion of the ownership to local communities or citizen cooperatives. While this is not a new idea as it is happening in countries like Denmark, to make it happen would require new policy.
- Sea Lords of the West – This is a new idea proposed by us. We are excited by its potential to become is a regional sea bed leasing model that will benefit multiple coastal communities along the Irish Sea. To make it happen, it will require new policy and the Crown Estate to authorise such an idea.

SUMMARY OF PROPOSALS

Community Integrated Investment Model (CIIM) – 'Now'

Our main proposal for financing Project Collette is our Community Integrated Investment Model (CIIM) which effectively combines non-recourse finance with community finance. It also applies best practice from community finance, community municipal investments and regulated crowdfunding sectors to provide appropriate investment opportunities to small investors (local and national) at each stage of Collette's project development.

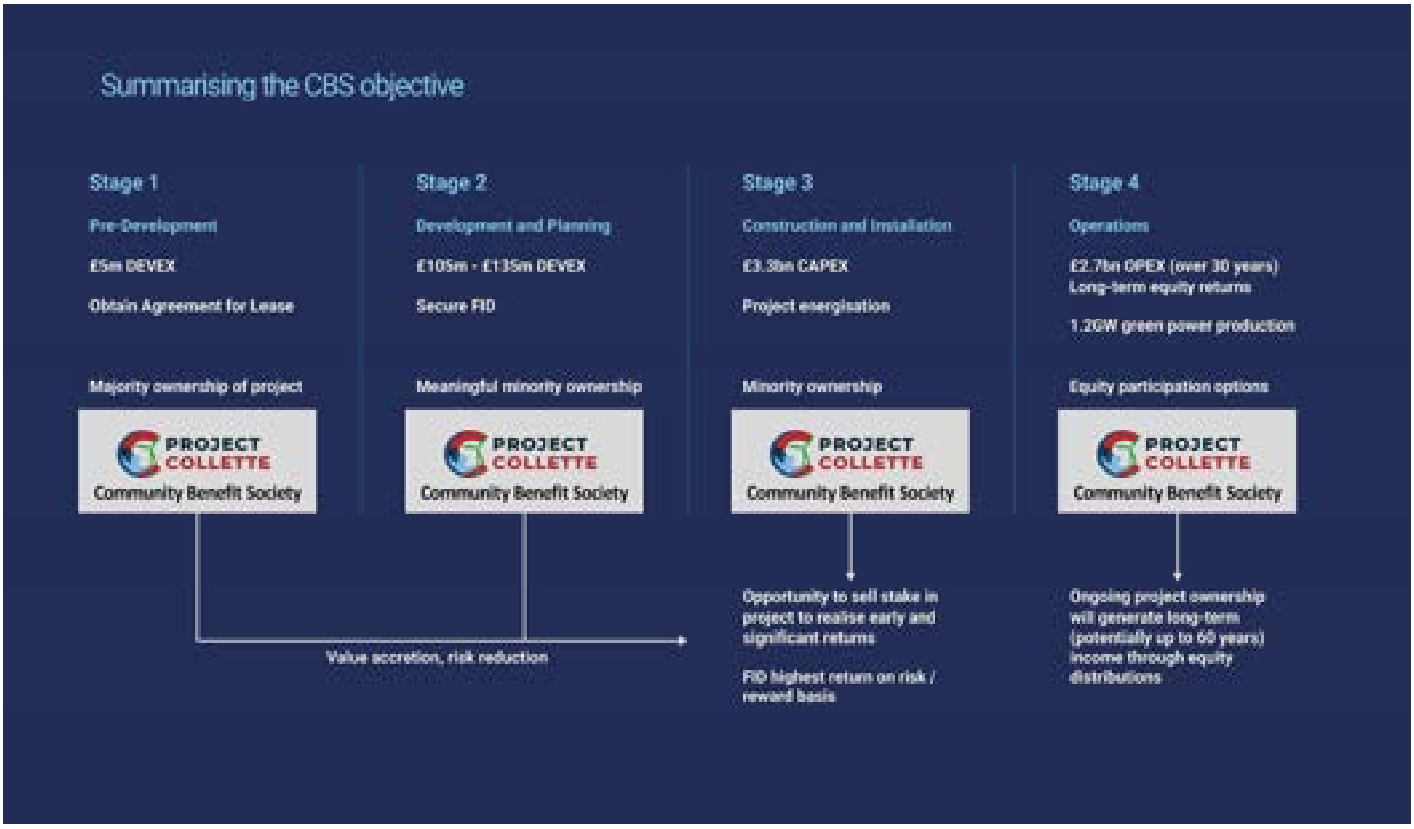
Our CIIM model takes into account the whole financial cycle from development (DEVEX) to capital expenditure (CAPEX), operational expenditure (OPEX), and finally decommissioning (DECEX). It recognises that each stage presents complex, capital-intensive risk and return profiles, suited to different types of investors, and often influenced by long-term decisions regarding technology in a rapidly evolving landscape.

With a Community Benefit Society (CBS) at the heart of the model, issuing a mix of equity (community shares) and debt (community bonds), the Model also taps into the capacity of the local authority to raise debt finance through its community of residents (a lower risk, lower cost option to enable the widest possible franchise of local investors) to invest directly. This will allow local residents to invest according to their risk preferences while capturing early-stage equity returns during project development, alongside stable long-term returns from operational cash flows generated by the wind farm.

Regulated crowdfunding models such as Public Offer Platforms will provide the means to scale up investment for the public good by the general public. This hybrid structure ensures the broadest franchise of investors are able to participate in a way that suits their different financial needs.

Another critical factor in the success of the project, is the identification of key offtakers and partnerships. Sellafield, as one of the largest employers in the region and a substantial energy consumer, presents a natural opportunity to become a major off-taker for Project Collette. Such a collaboration would not only support the project's financial viability but the involvement of Sellafield would further enhance the project's impact on energy security.

We have described this as a 'Now' opportunity, as it is possible to make this happen now. However, we need to continue to develop this idea more in terms of governance, feasibility and means of financing. See below a graph that summarises our CBS objective.



Nested Bond – 'Now'

Another potential financing pathway for Project Collette is through the use of a nested bond. A nested bond is a financial instrument structured in a tiered format, where multiple layers or 'tranches' of bonds are issued at different levels, often involving various entities. In the context of Project Collette, this could take the form of a bond that the community can invest in, issued by a local authority and secured against its assets or energy projects.

In this structure, the local authority would invest in a bond issued by an Authority such as a Combined Authority (CA), who has the power to raise finance for infrastructure projects with government approval. The CA would then funnel those funds into a larger bond issued by, for example, GB Energy. This nested bond framework allows community members, as well as local and regional authorities, to acquire ownership stakes in the generating assets, potentially increasing the capital managed by GB Energy. Such an arrangement would not only diversify GB Energy's investment portfolio but also introduce local interests and distinct purchase metrics.

By employing a nested bond structure, the associated risks can be spread across the various levels of investment. The backing of a larger, more robust entity like GB Energy provides a safety net for the lower-tier bonds, enhancing their attractiveness to investors. This arrangement can improve credit ratings and potentially reduce borrowing costs, making it a viable financing option for Project Collette.

While this structure is possible it has a lot of unknowns on its route to market. Social housing providers have issued sustainability or social bonds, to raise capital for their projects. These bonds are attractive to institutional investors seeking stable, long-term returns aligned with environmental, social, and governance (ESG) criteria. However, this is far from community led finance.

Pooled Bonds – 'Now'. Strategically, Project Collette could become a nationally owned community asset given its potential to make a significant contribution to the UK's renewable energy and community energy objectives. With the involvement of Sellafield as a major offtaker, the project's nationally important energy security impact would be further amplified.

Such a national designation could establish Project Collette as a catalyst for a pioneering regional investment initiative backed by the Municipal Bond Agency (MBA).

The MBA was established to deliver cheaper capital finance to local authorities. It does so via periodic bond issues, as an aggregator for financing from institutions and by facilitating greater inter-authority lending. The MBA is wholly owned by 56 local authorities and the Local Government Association (LGA).

The MBA could issue bonds that pool resources from multiple local authorities, facilitating a collective local authority investment in Project Collette. This approach has the potential to generate substantial funding – estimated between £150m and £500m - through credit-rated and listed bonds. By aggregating resources from multiple local authorities interested in off–shore wind investments, the MBA can provide longer term financing solutions, securing large sums of financing at lower interest rates, and more favourable repayment schedules (potentially linked to green or sustainable impact discounts) to stimulate and capture the economic benefits of offshore wind opportunities.

Project Collin – Investing More Immediately – 'Now'

Recognising the lengthy lead time for Project Collette, which could take years before generating revenue, we have developed an initial concept for **Project Collin** (also as in collective). This proposal focuses on facilitating the transfer of existing commercial projects into community ownership through community share/bond offers, as well as investing in repowering offshore and onshore wind projects.

We consider Project Collin to be a strategic way to grow our base of renewable energy community investors while offering timely financial returns that can help provide some of the means for local capacity building needed for Project Collette. We have described this as a 'Now' – but we will need to develop this idea more in terms of governance, feasibility and means of financing.

Mandated Community Ownership – 'New'

Finally, perhaps the quickest win of all would be if community ownership was mandated as part of an offshore wind auction process, as Denmark has done. In future auction rounds (such as those managed by Crown Estate or Crown Estate Scotland), developers could be required to allocate a portion of the ownership (such as such as 20%) to local communities or citizen cooperatives. This would ensure that residents have a direct financial stake in the project. Although this is not a new idea (it is already happening in Denmark), we have described it as a 'new' approach as it would involve new legislation in the UK and buy-in from the Crown Estate to make it happen.

Such an approach in the UK, could transform the dynamics of offshore wind, by embedding local communities directly in ownership structures. Another approach which could have a significant impact, could be to offer ownership of a single turbine which can cost around £70 million. This would allow community investors to collectively own one turbine within a larger wind farm, ensuring they have a stake in the project without requiring full project-scale funding and all the ensuing risks.

Offshore Community Leasing – 'Sea Lords of the West' – 'New'

Perhaps, the least risky way to make a community offshore wind project a reality would be to obtain a lease from the Crown Estate to sub-lease out a proportion of the seabed off the Cumbrian coast to the community. The way it would work would be that Project Collette's CBS, would act as a 'sea lord' – effectively it becomes a landlord for a portion of the seabed in the Irish Sea. The CBS subleases 'berths' to off–shore wind developers or project operators for wind turbines, transmission infrastructure and other marine renewable projects. A percentage of rental income or profits from the sub-leases could be distributed among coastal communities along the Irish Sea and this Sea Lords of the West proposal would benefit multiple coastal communities along the Irish Sea from Scotland, the Isle of Man, the North West, Wales to the South West. In addition, developers sub-leasing from the CBS may agree to allocate part of their project's equity to the CBS, further increasing the community benefits.

Case Study: In 2014, Menter Môn[i] secured the Crown Estate lease to manage the West Anglesey Demonstration Zone (35km2 of seabed) to demonstrate a tidal stream energy project. This has become known as Morlais and it has the potential to generate up to 240MW of low-carbon electricity near Ynys Cybi (Holy Island), Ynys Môn (Anglesey). This project also has a strong focus on delivering economic and social benefit to local communities.

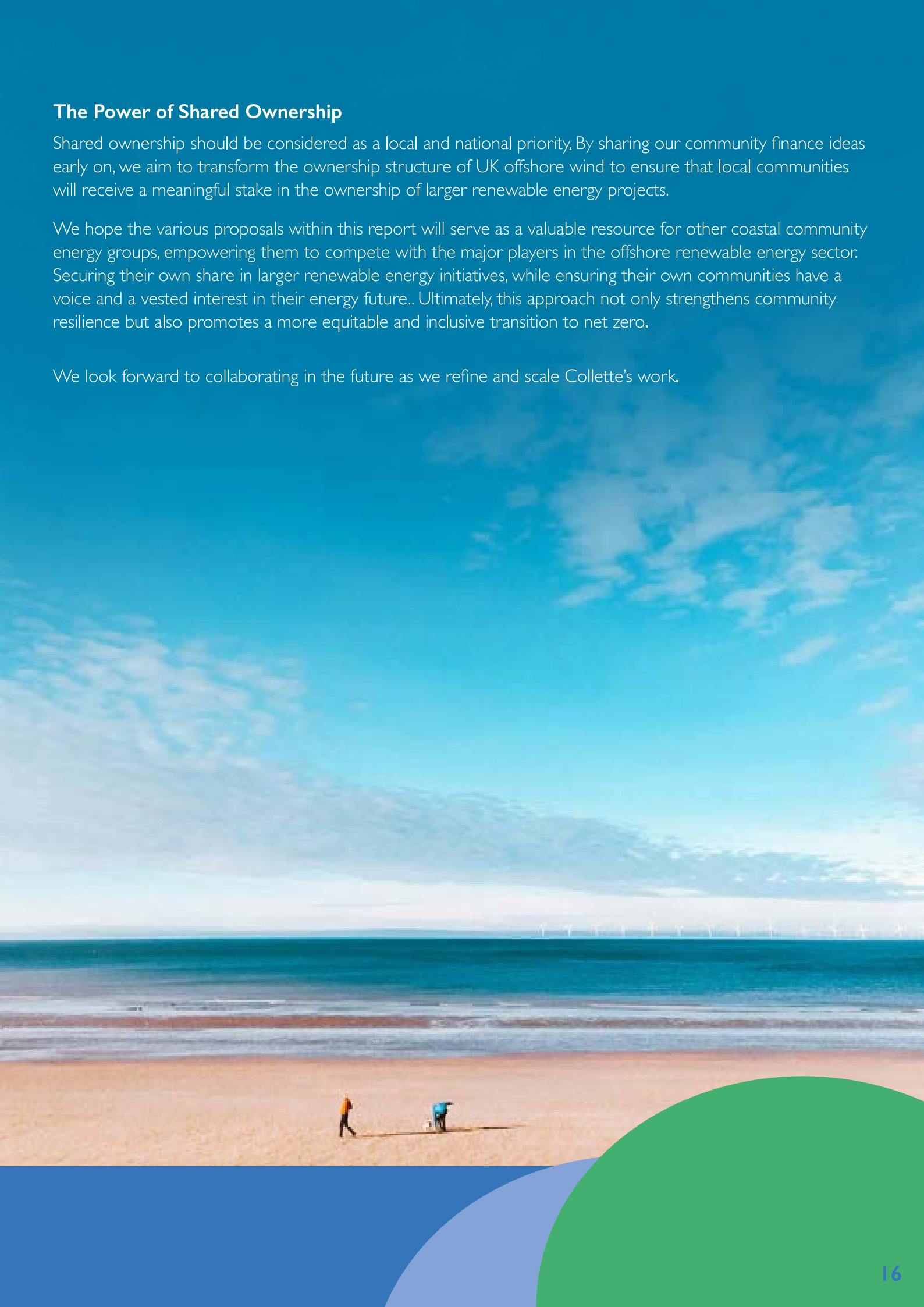
This is a 'New' idea for community owned offshore wind and we will need to develop this idea more in terms of concept, governance, feasibility, partners and policy.

The Power of Shared Ownership

Shared ownership should be considered as a local and national priority. By sharing our community finance ideas early on, we aim to transform the ownership structure of UK offshore wind to ensure that local communities will receive a meaningful stake in the ownership of larger renewable energy projects.

We hope the various proposals within this report will serve as a valuable resource for other coastal community energy groups, empowering them to compete with the major players in the offshore renewable energy sector. Securing their own share in larger renewable energy initiatives, while ensuring their own communities have a voice and a vested interest in their energy future.. Ultimately, this approach not only strengthens community resilience but also promotes a more equitable and inclusive transition to net zero.

We look forward to collaborating in the future as we refine and scale Collette's work.



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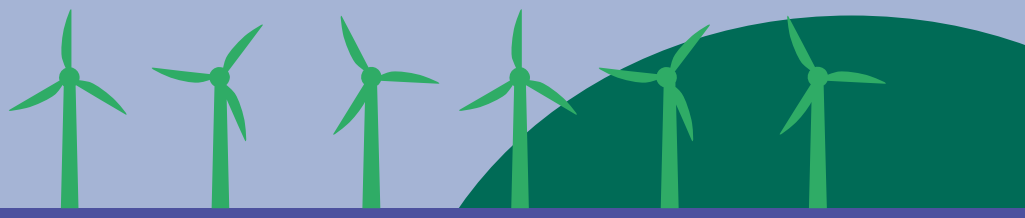


CONTEXT

Who is Collette's 'Community'?

The word 'community' often refers to any group sharing something in common such as a shared mindset, values or in this case financial shares. We believe that Project Collette's members will become their own community and this could extend from West Cumbria, to regional coastal communities and local authorities along the Irish Sea and beyond.

Project Collette's 'community' will include a range of stakeholders who will be directly or indirectly impacted by the development and operation of 'her' wind farm in Cumbria. Collette will extensively involve coastal communities, as well as diverse groups that benefit from or have an interest in the project's success.

Coastal Communities Face Significant Challenges

Project Collette is keen to support coastal communities as coastal communities face significant socioeconomic challenges, especially as traditional industries like tourism, fishing, and manufacturing decline. This decline has not only led to job losses but also reduced investment, leaving many of the UK's communities vulnerable to poverty, social deprivation, and limited economic mobility.

While offshore wind represents a transformative opportunity for these areas, by providing a pathway toward economic resilience and sustainable development, **there remains a disconnect between offshore wind projects and the communities they operate near,** often leading to feelings of detachment or even resentment from local residents. Common challenges include limited local ownership, minimal say in decision–making and insufficient distribution of economic benefits to nearby communities.

A Stake Is Not Just Token Involvement but Economic Participation

By offering local residents ownership stakes or investment opportunities, offshore wind can shift from being distant corporate ventures to a tangible, locally owned asset. Project Collette seeks to create a blueprint for how benefits from off-shore wind can be owned and distributed to the community. Having a stake means not just token involvement but real economic participation, where communities receive direct financial returns and control over how proceeds are reinvested locally.

The Community Energy Market Remains Small But Has Huge Potential

Community energy plays a crucial role in the energy transition as it empowers individuals and communities to take control of their energy sources, leading to significant economic and environmental benefits and reduced environmental impacts. However, despite its huge potential and importance, the community energy market remains relatively small.

According to the Community Energy State of the Sector report (2024), there were 583 community energy organisations in 2023 with a total generating capacity of 398MW with a turnover of £43.2m, adding almost £13m to the local economy across the country, according to Community Energy England (CEE). That equates to some 165,980 tonnes of CO2 saved in 2023, CEE estimates. Baywind Energy Co-operative, located in Cumbria, is the UK's first community-owned wind farm. Founded in 1996, 1,300 people invested £2 million through share offers and interest payments averaging 7% gross per annum. Energy 4 All was subsequently founded by Baywind in 2002.

In the UK, the removal of Feed-in Tariffs (FITs) and tax relief schemes like SEIS (Seed Enterprise Investment Scheme) and EIS (Enterprise Investment Scheme) removed important financial incentives for community energy projects, making it much harder for community energy projects to access capital and generate returns attractive to investors, particularly those aiming to scale up to meet regional or national energy goals. This highlights the need for greater support and financial resources to help these organisations overcome financial barriers and fully realise their potential in scale up.

Scotland's supportive policies for community energy include its Community and Renewable Energy Scheme (CARES), managed by Local Energy Scotland, and this provides grants, loans, and advice to help communities invest in renewable projects and build local renewable projects. The Scottish National Investment Bank (SNIB) also plays a role in funding initiatives that promote community ownership in renewables, helping to reduce the financial barriers that communities face in entering large-scale offshore wind projects.

The removal of key financial incentives like Feed-in Tariffs (FITs) and tax relief schemes such as SEIS/EIS has created significant barriers for community energy projects in the UK. These mechanisms were instrumental in reducing upfront risks and enhancing the financial viability of smaller-scale and community-led renewable energy initiatives.

Community-Owned Onshore Wind Farms Paid Their Communities 34 Times More Than Their Commercial Counterparts

Community-owned onshore wind farms contribute more to their communities than commercial wind farms. A report produced by Aquatera Ltd on behalf of Point and Sandwick Development Trust, analysed nine community-owned and four private wind farms in Scotland and found that returns from the community-owned wind farms average £170,000 per installed MW per annum, far exceeding the community benefit payment industry standard of £5,000 per installed MW per annum[ii].

The main reason being that in community-owned models, more profits after operating expenses are retained within the community projects often have operational efficiencies rooted in their local focus. These projects are more likely to involve local businesses, create jobs, and reinvest in local supply chains, which can contribute to cost savings and additional income that stays in the community.. This stark difference demonstrates the potential economic impact of community ownership which if applied to offshore wind projects could yield even greater returns to the community.

Community-Owned Offshore Wind is Rare

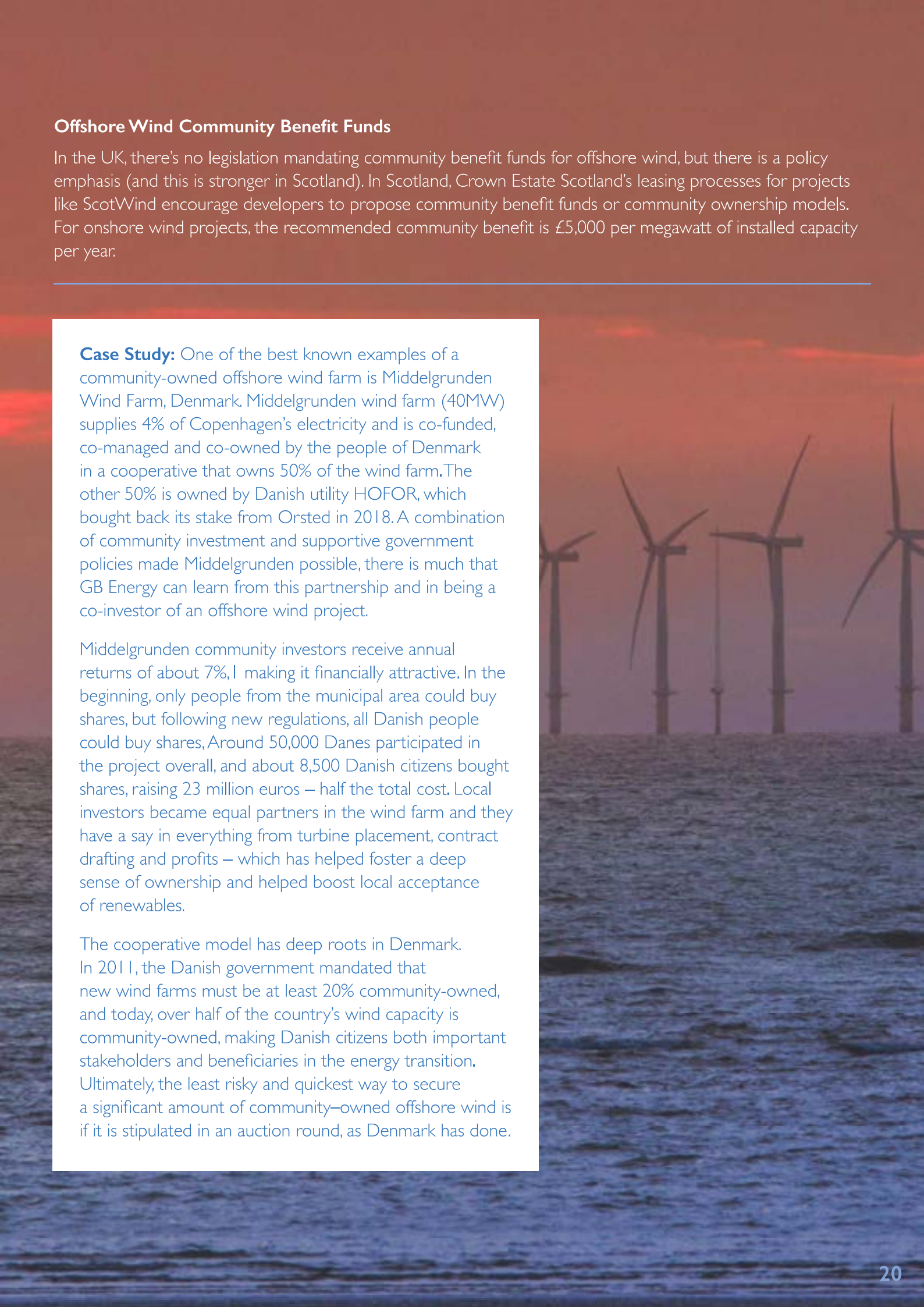
Community-owned offshore wind farms are relatively rare as the high capital cost of development andtechnical complexities make it challenging for communities to directly own and manage them. That said, in Europe, there are a few notable examples where communities have successfully participated in offshore wind projects through ownership, investment, or benefit-sharing models. The cooperative model is a well established way to provide steady revenue streams to local communities, reduce energy costs, and foster greater public support for renewable energy.

Case Study: Middelgrunden Offshore Wind Farm (Denmark), and Windpark Fryslân (Netherlands), though not entirely community-owned, offer opportunities for local communities to invest and share in the project's returns. Thornton Bank Wind Farm (Belgium), includes some community investment, though it is primarily financed by larger energy companies and institutional investors. There is also Kriegers Flak (Denmark).

In Scotland in 2021, Renantis, Ørsted, and BlueFloat Energy partnered with Energy4All to explore innovative community ownership schemes for offshore wind. The partnership secured three sites in the Scotwind bidding process, accommodating approximately 3GW of offshore wind capacity. The projects are scheduled to be operational by the end of the decade.

Offshore Wind Community Benefit Funds

In the UK, there's no legislation mandating community benefit funds for offshore wind, but there is a policy emphasis (and this is stronger in Scotland). In Scotland, Crown Estate Scotland's leasing processes for projects like ScotWind encourage developers to propose community benefit funds or community ownership models. For onshore wind projects, the recommended community benefit is £5,000 per megawatt of installed capacity per year.



Case Study: One of the best known examples of a community-owned offshore wind farm is Middelgrunden Wind Farm, Denmark. Middelgrunden wind farm (40MW) supplies 4% of Copenhagen's electricity and is co-funded, co-managed and co-owned by the people of Denmark in a cooperative that owns 50% of the wind farm. The other 50% is owned by Danish utility HOFOR, which bought back its stake from Orsted in 2018. A combination of community investment and supportive government policies made Middelgrunden possible, there is much that GB Energy can learn from this partnership and in being a co-investor of an offshore wind project.

Middelgrunden community investors receive annual returns of about 7%,1 making it financially attractive. In the beginning, only people from the municipal area could buy shares, but following new regulations, all Danish people could buy shares, Around 50,000 Danes participated in the project overall, and about 8,500 Danish citizens bought shares, raising 23 million euros – half the total cost. Local investors became equal partners in the wind farm and they have a say in everything from turbine placement, contract drafting and profits – which has helped foster a deep sense of ownership and helped boost local acceptance of renewables.

The cooperative model has deep roots in Denmark. In 2011, the Danish government mandated that new wind farms must be at least 20% community-owned, and today, over half of the country's wind capacity is community-owned, making Danish citizens both important stakeholders and beneficiaries in the energy transition. Ultimately, the least risky and quickest way to secure a significant amount of community–owned offshore wind is if it is stipulated in an auction round, as Denmark has done.

CHAPTER

2 OFFSHORE WIND IN CUMBRIA

Who is Collette's 'Community'?

Offshore wind is a major UK success story and the UK is the second-largest (after China) offshore wind generator in the world with around 14 gigawatts (GW). In the first quarter of 2023, wind power generated, in some periods, more than half of the UK's electricity and the sector contributes through the supply chain about £2-3bn of gross value added to the UK supporting over 30,000 jobs across the UK[iii].

According to data from RenewableUK, the UK's pipeline of offshore wind projects in various stages of development is around 100GW. But we need more. The Climate Change Committee (CCC) estimates that by 2050 the UK may need between 75 and 125GW of offshore wind capacity to support the electrification of transport, heating, and industrial processes.

The success of an offshore wind farm depends not only on the ability to secure offshore leases but also on the seamless connection to the onshore grid infrastructure. Streamlining these processes is important, ensuring that both offshore and onshore components are developed efficiently and in tandem.

Offshore Wind Has Been Making an Impact in Cumbria Since 2006

Cumbria is important to the UK's energy security, as the area is home to offshore wind, Sellafield and the Low-Level Waste Repository (LWR). Waste management and decommissioning activities contribute around £2 billion annually to Cumbria's £11-12 billion economy, supporting 22,000 jobs, or 28% of total employment locally. Cumberland includes areas like Carlisle, Workington, Whitehaven, Maryport and St Bees, and has a population of 275,400 people.

Along Cumbria's coastline, eight offshore wind installations have been bringing major business, investment and job opportunities to the area since 2006, contributing 1.83GW of installed offshore wind capacity[iv]. In 2020, these wind farms generated 11% of the UK's total electricity[v].

Ref (See Map Figure 4)	Name	Capacity (MW)	Status	Owners
1	Walney 1	183.6	Operational (since May 2011)	Ørsted, SSE, OPW
2	Walney 2	183.6	Operational (since April 2012)	Ørsted, SSE, OPW
3	Walney 3	660	Operational (since September 2018)	Ørsted, PFA, PKA
4	Ormonde Offshore	150	Operational (since February 2012)	Vattenfall, AMF
5	West of Duddon Sands	389	Operational (since October 2014)	Ørsted, Scottish Power
6	Barrow	90	Operational (since April 2006)	Ørsted
7	Robin Rigg West	84	Operational (since July 2009)	RWE
8	Robin Rigg East	90	Operational (since April 2010)	RWE

Table source: Green Investment Plan Cumbria (2021) (ch 4)

While developers like Ørsted, RWE, and ScottishPower bring critical expertise and vital capital to the sector, their ownership structure often means that much of the generated revenue flows back to parent companies overseas, limiting the direct financial impact on UK communities.

The Robin Rigg Community Fund

As part of the consenting process for the Robin Rigg Wind Farm in the Solway Firth, a £1 million local Community Benefit Fund was established. This was superseded by the Robin Rigg Community Fund, funded by the current owners RWE and is overseen by the Solway Firth Partnership (SPF) from 2020 - 2025. The Fund is £130,000 annually and it is split (so £65K each) between both sides of the Solway - Dumfries and Galloway and West Cumbria and the SFP fee is taken off this total. Grants are available to community groups and organisations on both sides of the Solway area.

Cumbria's Operations and Maintenance (O&M)

Between the ports of Barrow and Workington, Cumbria is the O&M base to 13% of the UK's current operational offshore capacity which directly employs over 400 direct jobs, primarily in areas where offshore wind farms are located, with this set to expand with the new Mona, Morgan and Morecambe offshore wind proposals

Increasing community ownership in offshore wind projects could create more O&M opportunities for local people, reinforcing the economic benefits to the UK and contributing to sustainable employment growth in coastal areas.

Barrow Port is home to five operations and maintenance (O&M) bases[vi]. The Associated British Ports (ABP) is planning to construct new O&M bases, including berths capable of handling larger Service Operation Vessels (SOVs) and new proposals for maritime connections to support hydrogen import and carbon storage[vii].

According to the Offshore Renewable Energy Catapult, the UK offshore wind operations and maintenance market will grow faster in relative terms than any other offshore wind sub-sector market over the next decade.

Workington harbour and port (Image Source: In-Cumbria Archive)

The Port of Workington is owned by Cumberland Council and there are plans for significant expansion, as part of a broader strategy to boost its role in the regional economy. Key aspects of this plan include the development of a clean energy and logistics hub, funded with £4.5 million from the UK Government's Town Deal. This initiative aims to enhance the port's green credentials and improve cargo handling capabilities. Additionally, there are plans to create a multi-modal transport hub, upgrading rail connections to further streamline logistics and transportation.

Less Than 1% of Offshore Wind is UK PLC

While The Crown Estate (TCE) owns and manages the vast majority of Britain's seabed, most of the UK's offshore wind farms and supply chain assets are owned by overseas companies. The UK offshore wind assets have long been attractive to global investors seeking the benefits of the long-term pound sterling cash flows in a low interest rate environment. While the UK has been making efforts to increase the local content, much of the supply chain is still dependent on international companies, particularly in turbine manufacturing and installation.

According to a report by the Common Wealth think tank, 82.2% of current and pending offshore wind in the UK is owned by overseas organisations such as state-owned enterprises and public pension funds[viii]. Of this, just 0.03 per cent is owned by UK public entities and in 2022, Britain sent £2.56 bn in payments to offshore wind generators abroad. The gross value added (GVA) to the UK per GW installed, is currently £1.8bn[ix].

We want to change the ownership of UK offshore wind, by developing a community-owned offshore wind farm that is majority-owned by UK investors and the local community gets a respectable stake in the ownership, ensuring that the financial and social benefits are shared with local communities.

Offshore Wind in the Irish Sea

There are currently ten offshore wind farms operating in the Irish Sea, providing 2.87GW of power to England, Wales, the Republic of Ireland and Scotland. More are planned - in 2023, the Crown Estate's Offshore Wind Leasing Round (AR4), included the rights to build six new offshore wind farms and Morgan, Mona, and Morecambe projects could install over 200 wind turbines in the Irish Sea and power up to three million homes.

Six of Orsted's offshore wind farms are located in the Irish Sea, between the Isle of Man and the British coast. Add to this, Orsted is developing plans for the Isle of Man's first offshore wind farm Mooir Vannin. This £4bn project would see up to 100 turbines off the coast of Maughold and we are considering this project's sea bed footprint within our feasibility study.

An area off Maughold Head is earmarked for Mooir Vannin. Source: www.bbc.co.uk

The harbour seal (Phoca vitulina), also known as the common seal, is frequently found in the Irish Sea.

Some Other Facts About The Irish Sea

- Important regional sea - socio-economically and ecological it supports a huge variety of wildlife.
- Managed by six different nations, and whilst there is a common basis of regional cooperation - there are differing policies, legislation and targets, making management of the Irish Sea difficult.
- The Irish Sea has strong and consistent winds, making it one of the prime locations for offshore wind farms in Europe.
- There are currently 10 wind farms operating in the Irish Sea, providing 2.87GW of power to England, Wales, the Republic of Ireland and Scotland.
- Pipeline projects include Morgan and Mona = 3 GW combined. Ireland's Phase One and Phase Two Projects: Targeting 7 GW total by 2030. There are also plans for an offshore wind farm off the Isle of Man - Mooir Vannin Offshore Wind Farm.

CHAPTER

3 INVESTMENT OPPORTUNITIES AND RISKS

As outlined in our Feasibility Study, Project Collette is a 'highly viable' proposed community-owned offshore wind farm, of up to 1.2GW, off the coast of Cumbria. Economically, it could create thousands of direct and indirect jobs and has a strong opportunity to lead to a new manufacturing base (notably at the port of Workington) with demand from UK wind farms and across Europe.

Some Benefits of Project Collette

1. Local communities in Cumbria and other coastal communities will be able to share in Collette's financial returns, creating lasting wealth and economic opportunities through job creation and supply chain opportunities - lasting benefits that go beyond simply generating clean energy.
2. Community ownership fosters a sense of local pride and involvement.
3. Community governance structures will ensure that the community benefits are distributed equitably, reducing the disparity between large corporations and local stakeholders, and helping to address issues like fuel poverty.
4. By engaging local investors, our model allows for more sustainable, long-term investment.
5. Project Colllete will prioritise local innovation, focusing on building local expertise and capacity.
6. Communities with a direct stake in the success of Project Collette are more likely to be involved throughout the project's lifecycle and take on an environmental stewardship role.

Offshore Wind Involves a Combination of Public and Private Financing

An offshore wind funding model usually involves a combination of public and private financing, due to the high capital costs and risks associated with developing offshore wind farms.

For an offshore wind project, a typical funding structure tends to be:

- **Equity:** 20-30% of the funding is normally provided by developers, utility companies, or institutional investors.
- **Debt:** 70-80% of the funding is often financed through project finance loans, where repayment is based on the project's revenues from electricity generation rather than on the creditworthiness of the developers.
- **Government Support:** Subsidies or grants to cover a portion of capital expenses or provide production-based incentives.

In the UK, the offshore market has largely been financed by **utilities** via their **balance sheets**, which can be a mix of both **equity and debt**.

- **Equity** investors can be utility companies, institutional investors and renewable energy developers. Private equity funds are emerging as key equity players because of the potential for stable, long-term returns, which align well with their investment strategies. Pension funds are increasingly allocating capital to renewable energy projects, including offshore wind farms because these investments offer stable, long-term returns that match their long-term liabilities.
- **Debt** for offshore wind farms is typically provided by a variety of financial institutions, including commercial banks, development banks, export credit agencies, and infrastructure funds.

Different Investor Risk Tolerances

Offshore wind investors come from multiple sectors, each with different risk tolerances, return expectations, and roles. Some investors include:

- **Institutional Investors** - such as pension funds, insurance companies, and sovereign wealth funds, generally have a **moderate risk tolerance** in offshore wind investments. Their risk profile reflects their desire for predictable returns, stability, and a strong alignment with environmental, social, and governance (ESG) principles.
- **Infrastructure and Private Equity Funds** - typically accept **medium to high risk**, balancing higher returns with strategic co-investments and structured finance mechanisms. They often invest in wind farms at later development stages to mitigate early-stage risks, such as permitting and construction uncertainties, and to capitalise on more predictable revenue from operational projects.
- **Corporate and Strategic Investors:** Some corporations, particularly in the energy sector (utilities, oil and gas companies), pursue offshore wind to diversify their energy portfolios. They often have a **high risk tolerance**, leveraging their industry expertise to manage operational and market risks effectively.
- **Social or Impact investors** have a **moderate to high risk tolerance** compared to traditional investors who have a lower tolerance for risk (such as institutional investors pension funds, insurance companies, mutual funds, and sovereign wealth funds) driven by their focus on generating measurable environmental and social outcomes alongside financial returns. Their investments prioritise outcomes such as carbon reduction, job creation in underserved areas, and community development.
- **Local, regional or national government**- typically provide initial funding, grants, or tax incentives to make offshore wind projects more attractive to private investors. This includes potentially underwriting certain early-stage risks or offering financing structures that help reduce the project's overall cost of capital.
- The Crown Estate and GB Energy - the Crown Estate has a **moderate to high risk tolerance** in offshore wind investments and a **moderate to high risk tolerance** in offshore wind investments. It is likely to be the same for GB Energy.
- **Community Investors:** Tend to have a **lower risk tolerance** and prefer investment structures that offer steady returns with reduced exposure to construction and market risks. They tend to invest through investment crowdfunding, community shares/ bonds or community municipal investments.

Investment Opportunity

Offshore wind, once operational, is generally regarded as a relatively mature and stable investment sector with long-term cash flows. Its revenue profile fits well with pension funds with a long-term investment horizon.

Other advantages include:

- Long-dated assets with 25-30 year asset life.
- Currently, up to 15 years of government-backed, inflation-linked contracted revenues.
- Banks provide loans based on the projected cash flows, typically through long-term power purchase agreements (PPAs) or government-backed mechanisms.
- The Crown Estate typically offers up to 60 years of lease terms.

Long-Term Contracts Offer Revenue Stability

Offshore wind projects benefit from long-term 'offtake' contracts like Power Purchase Agreements (PPAs), ensuring revenue streams for 15 to 30 years. Certain types of PPAs can lock in buyers for the energy generated, reducing exposure to volatile energy prices and offering reliable returns on investment.

Contracts for Difference (CfDs) are a widely used subsidy model that are designed to support large-scale renewable projects (more than 5MW) and guarantee a steady revenue stream. The CfD is based on a difference between the market reference price and an agreed 'strike price' which is a guaranteed price for the electricity generated per megawatt-hour (MWh) of electricity over the contract period (usually 15 years in the UK).

On the whole, this price predictability is crucial for wind farm operators, as it helps mitigate market risks such as fluctuating energy prices. With a known income stream, they can plan operations and investments more effectively. However, in 2023 the CfD auction round (AR5) did not lead to anynew offshore wind projects due to the strike price being too low, mainly as a result of inflation and rising capital costs. The strike price then increased again for Allocation Round 6 (AR6) and resulted in over 5.3GW of contracted capacity being awarded[x].

Employment Opportunities

In total, a 1.2GW offshore wind farm could create approximately 6,000 direct jobs during its development and construction phases, with an additional 2,000 to 3,000 indirect jobs supported in local supply chains and services. 300 permanent jobs could be created for the 30 years during the operational phase.

Some of the jobs would be environmental and site assessment specialists to assess marine habitats, wildlife impacts, and conduct environmental impact studies to ensure sustainable development. Project management, community liaison, construction and installation jobs such as civil, mechanical, and electrical engineers who are crucial for the design and assembly of turbines, substations and cable installations. Marine construction workers that operate heavy machinery to install turbines, platforms, and underwater cables. These include roles for welders, divers, crane operators, and vessel crew members. Plus, wind turbine technicians who perform regular maintenance and repairs on turbines and ongoing maintenance of equipment, electrical systems, and control systems essential for safe, efficient operations. The list goes on.

Supply Chain and Offtaker Opportunities

If Project Collette plans to focus on developing local supply chains, such as establishing manufacturing plants for turbine components or training local O&M technicians, it can create many more indirect jobs, resulting in a larger and more sustained employment impact from offshore wind investments.

Sellafield, one the largest employers in the region and a significant energy consumer is a natural candidate to become a major off-taker for Project Collette.

Positive Policy Tail Winds

Project Collette aligns well with GB Energy's strategy, and creates an outstanding opportunity for the community, local and regional governments to crowd in the capital that GB Energy will need while taking part ownership of a significantly valuable generating asset and building a supply chain with huge economic potential. It is the intention to engage with the National Wealth Fund regarding financing options and a debt guarantee.
In addition, the Government's Local Power Plan and its ambition to achieve 8GW of local and community-owned energy underscores the crucial role of shared ownership. However, a key challenge remains: determining how to increase shared ownership in larger renewable assets, particularly as the UK's offshore wind sector expands and GB Energy's role evolves.

SOME CHALLENGES/RISKS

Project Collette's Investment Risks

Like any offshore wind project, Project Collette will come with a range of investment risks and opportunities. See the below diagram which highlights some of Collette's risks in more detail.

The Challenge of Raising Early Stage Development

A critical challenge for Project Collette will be in raising the early-stage 'pre-development' finance (approx £5m) required to secure an Agreement for Lease (AfL) and complete essential pre-development tasks. This stage is considered of high financial risk and can deter typical retail investors

Other risks are detailed below:

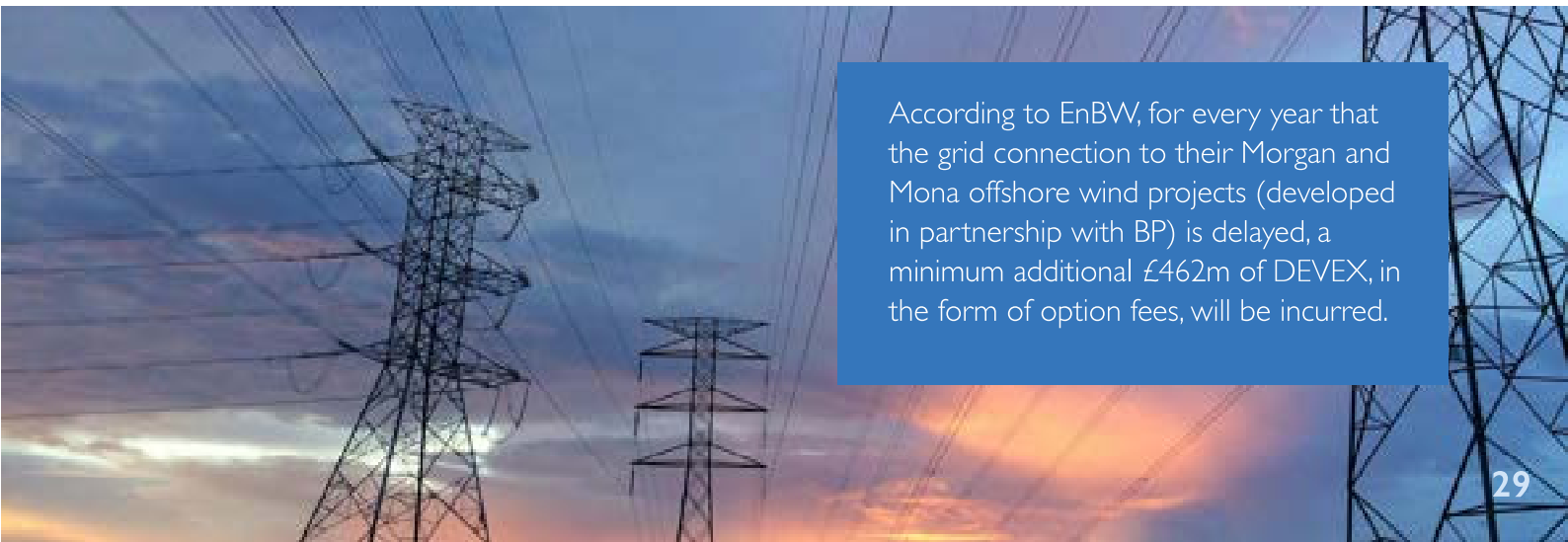
- From the start, it is essential that Project Collette gets support from the local community and engage with them early on, otherwise, there could be resistance if the community feels they haven't been consulted and are bypassed.
- Offshore wind farms require significant upfront capital investments, and building and maintaining them is expensive.
- Investments in offshore wind have long development and payback periods, which can affect liquidity and investor returns.
- Delays or cost overruns during construction can be a major risk.
- Offshore wind farms also need reliable grid connections and problems in securing these connections can affect the project's success and increase the financial risk, especially during the early stages of a project.
- Other financial risks include an inability to raise equity for the full development costs and an inability to raise equity and debt for construction.
- Offshore wind farms also face operational, policy and market risks such as changes in energy prices, weather conditions, or regulatory shifts.

Grid Challenges

In the UK, grid issues are a critical challenge for offshore wind expansion, impacting both project feasibility and energy reliability. High costs for subsea cables, connection points, and lengthy approval processes for grid upgrades are hindering offshore wind expansion. Additionally, limited coordination between offshore wind project timelines and grid expansion, underscores the need for more synchronised planning and investment in grid infrastructure.

The cost of grid upgrades for a 1.2GW offshore wind farm can vary significantly depending on factors such as the distance from shore, the existing state of the local grid infrastructure, and whether any new substations or transmission lines are required. However, some general considerations can be outlined:

1. **Connection Costs:** The offshore wind farm will need to connect to the onshore grid. For a 1.2GW project, this could cost anywhere between £100 million to £500 million, depending on the complexity and distance.
2. **Grid Reinforcement:** This can include the upgrade of substations, the installation of new transmission lines, and improvements to local network capacity. A 1.2GW wind farm would likely require significant reinforcement, which could cost another £100 million to £400 million.



According to EnBW, for every year that the grid connection to their Morgan and Mona offshore wind projects (developed in partnership with BP) is delayed, a minimum additional £462m of DEVEX, in the form of option fees, will be incurred.

The Crown Estate's Leasing Process

The Crown Estate leasing process can present several risks to community-owned offshore wind farms, particularly due to the competitive nature of the bidding process. Some of the key risks include:

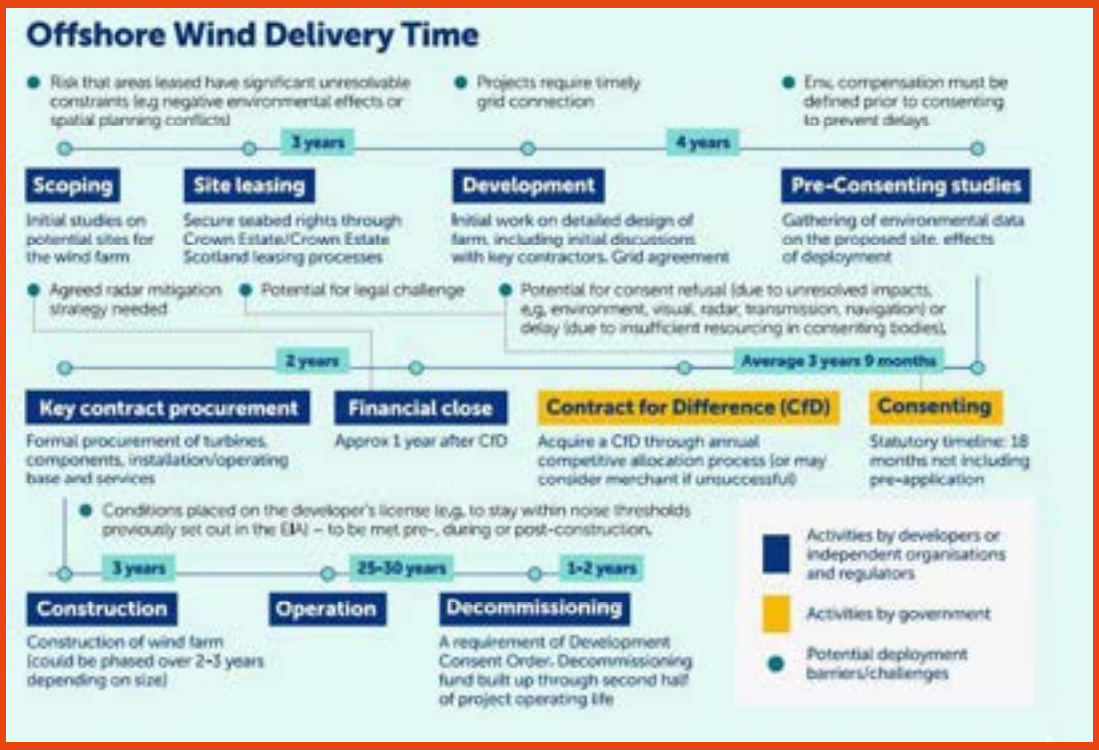
1. **Competitive Bidding:** The Crown Estate typically holds competitive leasing rounds where multiple developers, including large corporate players, bid for offshore sites. Community groups often lack the financial resources, technical expertise, and scale that large corporations possess, which can make it difficult for them to compete, win a lease or even secure the upfront financing required to participate in such competitive rounds.
2. **Upfront Costs:** The leasing process requires significant upfront investment, including application fees, development costs, and the ability to demonstrate technical and financial capability. For community groups, which may not have access to large pools of capital, this can be a major hurdle. They are likely to struggle to meet the financial commitments needed to progress to the next stages of development, such as securing an Agreement for Lease (AfL).
3. **A Well Established Track Record:** The Crown Estate's leasing process also requires developers to have a well–established track record. This leaves community-led projects and developers, new to offshore wind, at a disadvantage.

Case Study: Hiraeth Energy, a Welsh renewable energy developer, initially aimed to create a community wealth fund for Wales from offshore wind profits in the Celtic Sea. However, Hiraeth ultimately withdrew from the Crown Estate's leasing round for Celtic Sea projects in May 2024. One reason for this decision stemmed from the structure of the Crown Estate's leasing process, which focused on high, upfront financial bids, disadvantaging smaller, which was disadvantageous to smaller, local developers – emphasising profit over community benefits. This exclusion from the seabed lease denied Hiraeth a significant opportunity to advance community-focused, locally owned renewable projects in Wales, which the company hoped would channel long–term economic benefits into the region.

While Hiraeth partnered with Magnora Offshore Wind to develop projects like Môr Glas and Môr Gwyrdd, it encountered challenges due to leasing terms, limiting its intended impact on Welsh communities. Despite this setback, Hiraeth remains dedicated to advocating for local ownership in renewable energy projects and exploring alternative approaches to benefit Welsh communities through other renewable ventures.

Delivery Timeline

The current process of developing offshore wind farms in the UK is long ((7–12 years) and complex, and it can be difficult to get all of the necessary approvals and permits which can lead to delays and cost overruns.



As part of the next phase of the project, we will analyse the risks in far greater detail and will do a risk management framework.

CHAPTER

4 PROJECT COLLETTE'S INVESTMENT PLAN

This chapter outlines Project Collette's Community Integrated Investment Model (CIIM), which aims to make investing in offshore wind – accessible for all. Our CIIM Model is defined by a set of Community Investment Principles.

The CIIM Model is designed to attract different types of investors while ensuring that the project remains aligned with local values and goals. By leveraging strategic partnerships, innovative financing mechanisms, and strong community engagement, Project Collette aims to become a blueprint for future large-scale community-led green energy projects in the UK. A model that will give the community a meaningful seat at the investment table in offshore wind, as a right, not a privilege.

Defined By Community Investment Principles

Central to Project Collette's CIIM model is the creation of a Community Benefit Society (CBS) that will involve the community from the beginning, allowing them to directly shape and share the value of the project. Most community energy projects benefit from the unique features of a Community Benefit Society (CBS), which as an established cooperative model, marries democratic control, community benefit and individual investment to enable aligned community ownership of renewable energy assets from solar farms to hydro schemes. They create value locally, as well as offer a route for local empowerment and contribute to the wider climate or net zero action agenda.

Our CIIM funding model is defined by key community investment principles:

1. THE PRIMACY OF COMMUNITY VALUE
2. COMMUNITY–ALIGNED INVESTMENT
3. PARTNERSHIPS WITH THE PUBLIC AND PRIVATE SECTOR

1. THE PRIMACY OF COMMUNITY VALUE

Project Collette will be developed with, by, and for the local community and it will create significant value locally and to other coastal communities across the UK, as well as contribute to the wider climate action and energy security agenda.

Community finance will naturally play a minor role in terms of the quantum of funding, but it is critical to underpinning our first design principle of 'community primacy' in which there is ultimately a path to exit that generates a lasting positive financial legacy for the community.

Community Structures

Several suitable structures exist for Collette's community organisation including:

- Community Benefit Society (CBS)
- Company Limited by Guarantee (including Community Interest Company)
- Co-operative Society

Different forms of cooperative organisations have developed in the UK alongside shareholder-based methods of corporate ownership and governance. The key difference between the two models is the principle of one member one vote enshrined in the co-operative principle as opposed to voting powers relating to the number of shares (i.e. the amount of capital invested or controlled) owned.

Individuals can become members of cooperatives either by paying a nominal subscription (£1) or by investing in either shares or bonds issued by the organisation. Both types of members have the same rights in terms of voting.

In 2014, the government legislated to create new forms of community ownership which facilitated investments in local businesses and infrastructure for social and financial returns. This included the creation of the Community Benefit Society and Community Shares / Bonds which were empowered to raise finance from communities and individuals under an exemption from the prohibition of public offers of investment (s85 FSMA 2000).

A CBS is registered by the Financial Conduct Authority (FCA) and it has the power to review the activities of all CBSs in terms of their governance and objectives. In simple terms a CBS exists for more than the financial gain of its members, it is a social business and it should only carry out or fund activities which further that social aim.

Community Benefit Societies (CBS) must operate for the benefit of a particular geographical community or community of interest, whereas Cooperatives exist solely for the benefit of their members. Both can generate a social benefit or dividend but for a CBS that benefit is explicit in its constitution and directors of the CBS must ensure it carries out its activities or that purpose.

The funding model for Project Collette will be underpinned by a Community Benefit Society (CBS), ensuring that the community not only benefits directly from the project's success but also has a say in key decisions – ensuring an alignment with local values. From the outset, we plan to create the right CBS governance ecosystem to involve the community and generate a lasting, positive financial legacy for West Cumbria and other coastal communities.

From Persuasion to Engagement - A Seat at the Table

Project Collette, like any large-scale infrastructure project, will impact the local community. Commercial off-shore wind approaches, to date, have often treated the local community as a sceptical stakeholder that needs to be persuaded of the benefits of development in their region.

Project Collette will change the narrative from 'persuasion' to 'engagement' – using the power of the membership of the CBS as a meaningful mechanism to give the local community a 'seat at the table' at each stage of Collette's development.

Project Collette's approach will empower the community in several ways:

- **Accountability** – as co-investors and owners, there is accountability built in from the outset which also gives rise to full transparency in which all stakeholders should be accountable for their words as well as their actions.
- **Reputational leadership** – it suggested that as well as membership of the CBS, residents will have the opportunity to join a Local Development Commission (with their time funded along the lines of jury service). This will allow residents to become informed representatives of the community and provide open and honest feedback on proposals throughout the development cycle.
- **Inclusive financial participation** – the funding model will facilitate appropriate investments that allow all residents, regardless of socio-economic background or otherwise, to participate and benefit financially.

2. COMMUNITY ALIGNED INVESTMENTS

Project Collette's capital demands will go far beyond a local investment pool and crucially it will create value at varying levels – locally, regional, nationally economically, environmentally and socially.

The funding model for Project Collette recognises the realities of the financial cycle for offshore wind projects from DEVEX to CAPEX to OPEX and finally DECEX (decommissioning). It also recognises that the risk and return profiles at each stage are complex and capital-intensive.

Accordingly, the CIIM funding model will attract a diverse range of investors for each stage and this diversified approach will ensure a robust financial framework that supports both early-stage development to long-term operational stability.

In addition, the application of a full range of community finance structures is key to providing financial and engagement benefits at a competitive cost of capital. Practically, this will involve a mix of community investment options that not only allows for the widest possible participation; but also provides a mandate for local authority investment into the development of the local green economy.

- At the lowest level, the CBS will use its investment powers as a community engagement/membership-building tool, namely:

  1. **A membership offer** (potentially from as little as £1) to allow hyper-local supporters to have a real say in the development and so practically allow for community representation in key decisions.

  2. **A community share offer** will allow people to invest very patient risk capital into the organisation alongside their membership, with the prospect of financial returns in the future.

- Beyond the more local/engaged community, there is a wider pool of supporters. They will likely span further geographically and may wish to back the scheme but their motivation is less driven by membership/control and accordingly may wish to be insulated from significant project risk.
- To capture this wider interest, we propose the use of a Community Municipal Investment (CMI). This comprises a regulated investment issued directly from a local council which is open to residents and non–residents to invest from £5. It pays a fixed return based on the Government borrowing (gilt) rate. Accordingly, the Council can make loans or grants from the funding to support statutory and net zero goals in their local area. To this end, a key partnership would be with Cumberland Council to issue the CMI and attract thousands of wider local supporters, reflecting the wider scale of the offshore wind project for Cumbria as a whole.
- Finally, recognising the national, strategic position of Project Collette, it can potentially look at utilising the new Public Offer Platform regulations due to come into force in Q2 2025, which would allow for a lower-cost form of crowdfunding that would still provide enhanced investor protections and due diligence. This would provide a mechanism to raise retail investment from £5m or more, which may come in at a later development stage to reflect a lower risk appetite for wider retail investors, and like the CMI, could benefit from an Innovative Finance ISA or equivalent.

Case Study: Community Municipal Investments (CMI). In 2024, Southwark Council launched one of the UK's largest council community municipal investment schemes to raise £6 million for its climate programme by 2030. It offers residents and businesses the chance to invest in green projects while earning a 'low-risk', fixed return of 4.6 per cent a year, across five years. The investments will fund a range of projects from Southwark's climate programme such as the installation of cycle hangars, new LED street lighting and green upgrades at schools and leisure centres.

Local councils' currently do not have a specific statutory objective to achieve decarbonisation. However, they do have broader statutory obligations to their residents, which provide a mandate for them to play a significant partnership role in Project Collette. Initially, the statutory objective to involve citizens in matters concerning their community and its development would support the case for issuing a CMI and create the foundation and platform for local citizen engagement.

This justification has been a significant part of the motivation of the 11 councils to date who have issued CMIs in support of their net zero or decarbonisation plans in regions across the whole of the UK. There is also evidence that citizens change their view of the value of councils in their everyday lives after consideration of a CMI – shifting from a consumer to a citizen mindset.

3. PARTNERSHIPS WITH THE PUBLIC AND PRIVATE SECTOR

Central to the CIIM proposal is to establish a Joint Venture (JV) with **GB Energy** to secure development finance and mitigate risk for the community. GB Energy is the UK government's newly established state-owned company, designed to spearhead the country's transition to clean energy. One of its primary objectives is to support and accelerate the development of offshore wind projects, which are crucial for the UK's renewable energy goals.

GB Energy itself has partnered with The Crown Estate to unlock significant capacity and the Government hopes to attract up to £60bn in additional private investment through the partnership.

The JV between Project Collette's CBS and GB Energy is designed to mitigate risks while maximising the project's potential. This partnership allows for shared expertise and resources, ensuring that both entities benefit from the project's success. However, a wider partnership is likely to be needed. In particular, **active involvement from the Crown Estate.** This involvement could comprise:

- Extraordinary leasing process – To secure seabed rights, Project Collette will advocate for an extraordinary leasing process in conjunction with the council and GB Energy, recognising the project's strategic significance.
- Funding initial surveys – This would further reduce the financial burden on the council and GB Energy, helping to de-risk the project early on.

Ultimately the JV also becomes the mechanism to attract institutional investors such as pension funds, that will be brought into the funding model at the operational stages where the risk/return profile is more aligned to their interests. It is at this stage that the JV may operate as two entities whereby an investment company focusing on capital raising gives way to an operating company managing daily operations.

There are of course other scenarios and financing options, which will continue to be modelled to ensure the fundability of the project and best value to the community. Importantly, different investors will focus on different parts of Collette's investment cycle, as it moves from Pre-Development (current stage) to Development (Consent and Planning) and Construction and Operations. Therefore, each stage will be attractive or appropriate to different investors depending on their investment aims and risk appetite.

Supply Chain and Infrastructure

Beyond Project Collette, the CMI can focus on raising funds around port development and offshore wind infrastructure, recognising the wider economic development and community wealth-building opportunities that Project Collette offers. This JV 'entity' will bring together the CBS, the local authority and GB Energy into a viable partnership to advance the development phase. GB Energy will not only bring its development funding but can leverage further development finance from wider capital markets.

Project Collette's Potential Sources of Capital

The potential sources of capital throughout Project Collette's lifecycle are likely to be:

1. State Capital
    - For example, GB Energy will have a multi-billion pound balance sheet and has been founded to crowd in billions more of private capital into transforming the UK energy system[xi].
    - The Crown Estate will have new borrowing and investment powers, to speed up the development of off-shore wind projects. The Crown Estate will also create a partnership with GB Energy.
    - Certain regional and central grants will be available to the community finance-led project.
2. Community (Democratic) Capital
    - A Community Benefit Society (CBS) is a member/community owned company which can raise finance directly from investors to carry out business activities and make investments in projects that further its social objectives.
    - Local authorities can raise finance directly from citizens (via a Community Municipal Investment (CMI)[xii] or Local Climate Bond) and make grants and investments to projects which deliver statutory objectives or political pledges such as local Net Zero goals. It is worth noting that to date 10% interest payments have been donated back by socially minded investors to support local charitable projects within their communities[xiii].
3. Private Capital
    - Investment Institutions such as equity investors, pension funds and banks seek commercial returns for their investors/shareholders through investments and lending to infrastructure projects.
    - Other options include developer and utility participation, family offices and philanthropic investors.

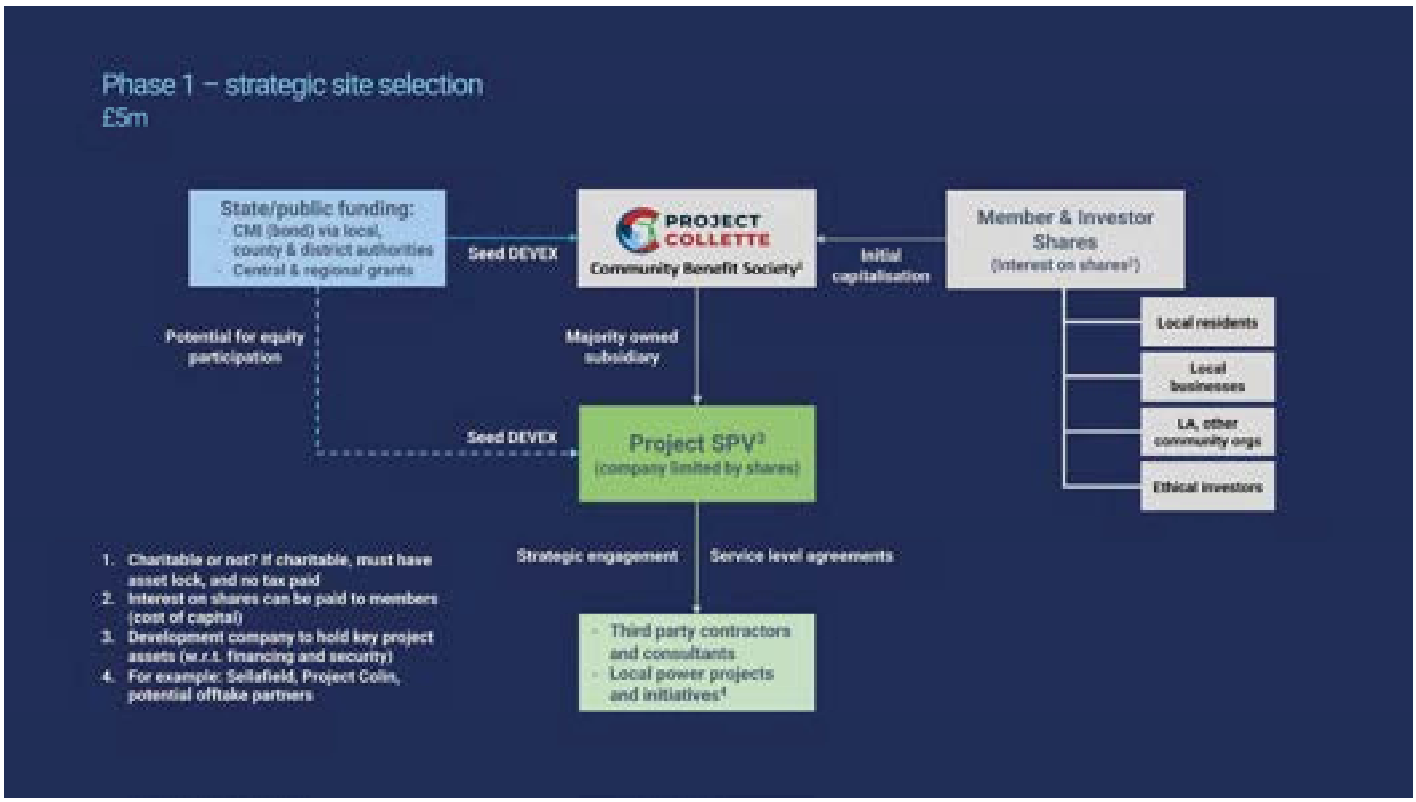
Project Collette's Stages of Capital Raise

- Stage 1 – Pre-Development: £5m
- Stage 2 – Development and Planning: £105–135m
- Stage 3 – Capital Expenditure (CAPEX): £3.3bn
- Stage 4 – Operations - OPEX - £90m a year

Stage 1 – Pre-Development: £5m

- The creation of a non-profit company would enable the community to attract grants and other forms of non-repayable finance to support the activities of pre-development, community engagement and marketing of the project to key stakeholders (political and financial) to progress to Stage 2.
- The non–profit company would be incorporated as a CBS which can build a membership of residents and ethically minded individual investors, local businesses, and other organisations and authorities to make investments in line with its social objectives.
- In Stage 1, the main activity of the CBS would be to carry out community engagement, pre-investment engagement, feasibility research, strategic site selection, partnership building and publicising the opportunity and the benefits of the project. This work could be funded by seed funding grants or non-repayable finance from the UK Government, local authorities or Philanthropic foundations.
- Members of the CBS (who can join for a nominal £1 fee) would have voting rights to elect member of the board and endorse key decisions over the use of funds and any activities undertaken by the CBS. The aim would be to have a mix of membership and members could be founding members – locals and then a wider pool of members. There could also be a potential to have different share classes to differentiate which would help support the changing risk profile of the investment over time.
- Given the binary nature of the project risk (i.e. 100% capital loss if it doesn't proceed), it is envisaged that any investment raised by the CBS through the community would be limited at this stage.
- The local authority may wish to fund any grants to the project by raising money via a Community Municipal Investment (CMI) which would enable residents to have a financial stake without incurring risk if the project fails, as the repayment of a CMI is secured on local authority revenues and tax income. Another option for the Local Authority is to invest in the project through equity participation.
- The local authority may also wish to be a member of the society alongside any funding contributions or have a Non-Executive Director seat on its board to represent the wider community beyond the CBS membership.

The graph below illustrates the potential financing structure and key parties involved in delivering Stage 1.



Financing options shown include grant funding, CMI's, seed capital from CBS members and investors, and potential equity participation from the Local Authority. An early stage impact investor and funding from philanthropic foundations could also be considered.

While profits made by the CBS cannot be distributed to members, members and investors in the CBS can receive interest on shares as a 'cost of capital'.

It is planned to incorporate a development company as a subsidiary of the CBS – Special Purpose Vehicle (SPV) – to hold the key assets as the project is developed. This is a standard approach and will ensure that any limited recourse funding is ring-fenced within the SPV.

During this stage, significant engagement will take place with local power projects and community initiatives, and potential offtake partners, including Sellafield. This will help drive wider community buy-in and political support and may open up other avenues for finance.

It is estimated that £5m will be required to complete Stage 1. The key asset (and very important asset) the project will have at the end of Stage 1 is the Agreement for Lease (AfL) with the Crown Estate.

Stage 2 – Development and Planning: £105–135m

The development and planning phase is one of the most critical and capital-intensive stages. This phase typically involves high-risk activities and accessing adequate risk capital (equity) and supplementary funding during this stage is crucial to progress toward construction and operation.

As mentioned previously, historically, two models have been deployed to fund the DEVEX in offshore wind. The first is for a large utility company to fund the project internally, on the balance sheet, and raise finance at the corporate level, as and when needed.

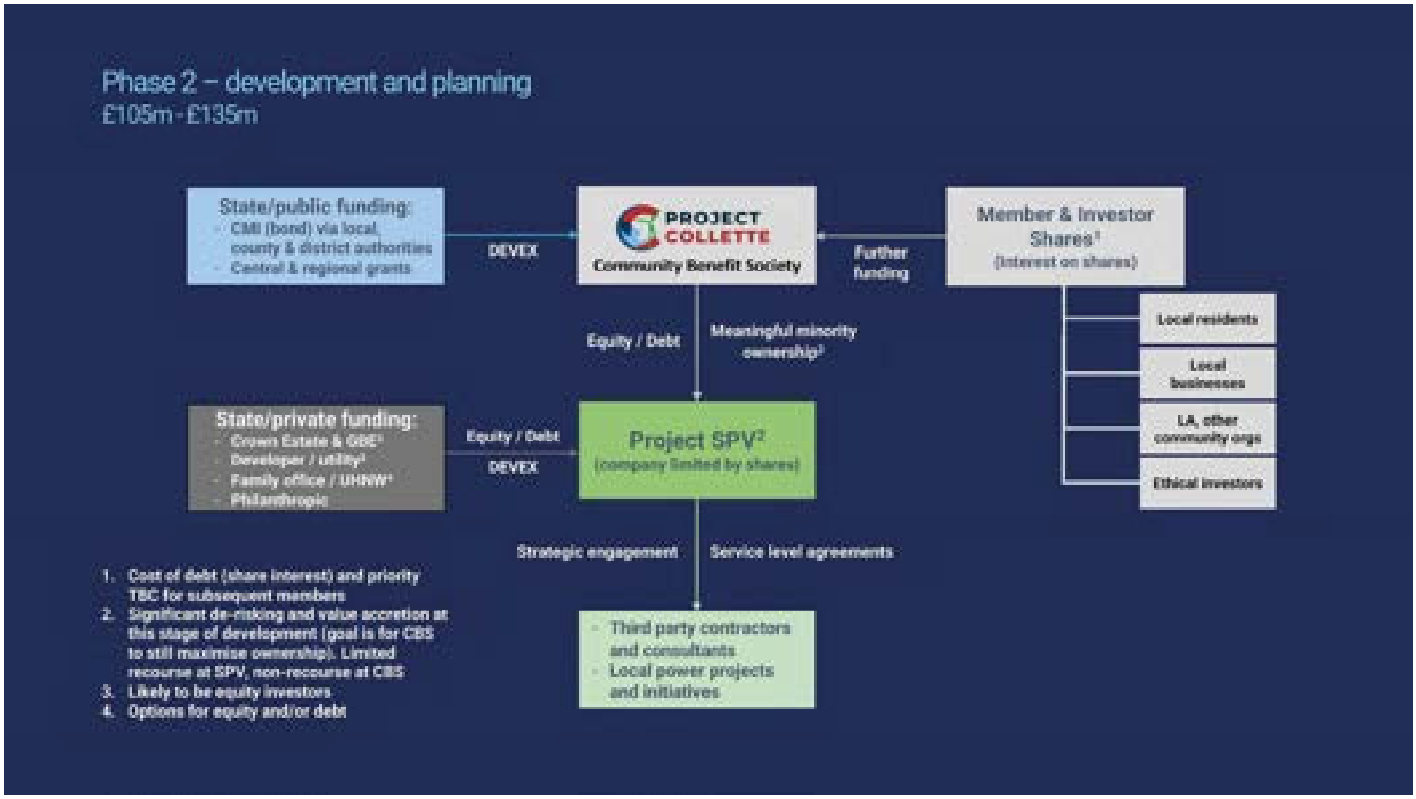
The second, favoured by smaller independent developers (mainly in Europe), involves setting up an SPV to own the project (assets and consents), be the legal entity/counter-party in any commercial agreements (such as PPAs or CfD) and procure services (such as EPC). At this stage, when the project has minimal assets and still carries the binary risk of failing to gain the necessary consent, the funding for the SPV primarily comes in the form of equity from project sponsors.

For Project Collette, the second model is favoured as it better aligns with the community investment plan objectives.

The majority of this requirement would be staked by GB Energy, potentially in partnership with the Crown Estate. Other equity investment options will be considered alongside further capital from CMI's, institutional social and philanthropic sources. It is expected that at FID or during a refinance of the project when operational, GB Energy and Crown Estate could divest to release capital for recycling into other projects.

At this stage, it is unclear whether GB Energy will prefer to develop projects on its balance sheet or through a separate legal entity (SPV). In the case of the latter, the CBS could act as a co-sponsor and contribute capital to the project, which could be funded by grants or through an equity raise from local sophisticated, high net-worth and corporate investors.

The graph below illustrates the potential financing structure and key parties involved in delivering Stage 2.



Financing options shown include additional grant funding, CMIs, further capital from CBS members and investors, and equity participation. The key source of equity assumes GB Energy with potential participation from the Crown Estate. Equity and/or debt options will also be considered with developers, private investors and philanthropic sources. Stage 2 will most likely involve limited recourse finance at the SPV level.

At this stage in development, where significant risks still exist, it would not be expected to obtain finance from banks and institutional funds.

NB: A CBS can issue special shares which provide a higher rate return for investors who take early-stage risk but which may not be appropriate for less sophisticated investors. These are separate from any shares issued which are available for the whole community and allow the seed funding of the CBS to be carried out without exposing community investors to inappropriate risk of capital loss.

It is estimated that £105–135m will be required to complete Stage 2. At the end of this stage, the project will have secured all key assets to achieve the final investment decision (FID). These include but are not limited to consents, grid connection and CfD contracts.

Stage 3 – Capital expenditure – Construction and Installation: £3.3bn

The construction and commissioning of the offshore wind turbines and associated infrastructure is by far the largest capital requirement of the project.

As the capital for construction requires some time before the project is operational and generating revenues, the project finance will require several direct agreements and contractual undertakings from the project owners. In return the risk of the project is ring-fenced within the SPV – i.e. the lenders will not have recourse to the assets of the project sponsors in the event of a project failure or to recover any capital losses. Instead, all security will be held at the SPV level.

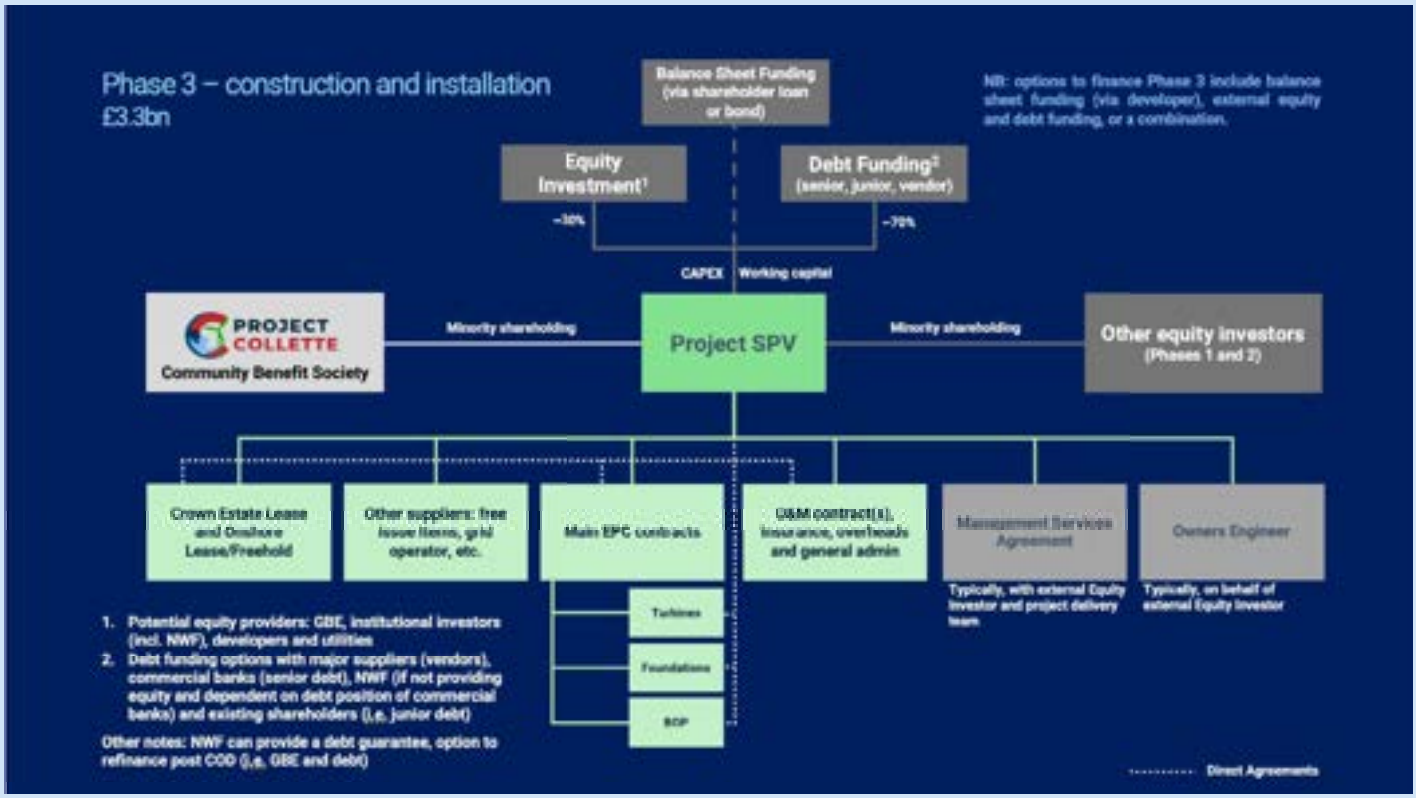
This 'non-recourse' finance model will require the project to be subject to greater levels of due diligence and monitoring by the project finance investors, however, the historical evidence[xiv] suggests that such scrutiny does lead to improved project performance and returns.

The success of the project reaching the construction phase would translate into an increase in the value of equity holdings in the project. At this stage, it could be at the discretion of either sponsor to sell shares against the value of their stake in the project to investors. In the case of the CBS, those investors are limited to making a 'fair return' which allows the CBS to hold any surplus to fund its social objects and business activities.

Stage 3 could also provide an opportunity for retail investors to gain exposure to energy infrastructure investments and galvanise national public support for the benefits of the transition to the green economy.

Throughout this process, the aim of the CBS is to provide the community with a meaningful seat at the table, despite its limited financial resources of residents and the wider market for retail green investments in the UK. The CBS will offer political and social capital, helping integrate the project smoothly into the community and ensuring a focus on maximising its economic and social benefits for the local area.

The graph below illustrates the potential financing structure and key parties involved in delivering Stage 3.



Depending on the investment structure and type of investors for Stages 1 and 2, Stage 3 will likely be funded via two options:

1. Developer (on balance sheet) funding, via a shareholder loan or bond.
2. External equity and debt funding.

The approach assumed for Project Collette, given the objective to maximise equity participation of the CBS through Stages 1 and 2, is option 2.

The debt funding amount will depend on the project's cash flow available for debt service (CFADS) and a suitable debt service coverage ratio (DSCR). Debt 'gearing' could be anywhere between 70–80% of the total cost for Stage 3. It is likely to consist of senior debt providers (for example, commercial banks), junior debt providers (for example, shareholder loans and mezzanine financing) and an element of vendor financing (for example, major suppliers). It is the intention to engage with the National Wealth Fund regarding financing options and a debt guarantee.

The balance of funding will then come from equity funding, most likely institutional investors. The option to include developers, utilities and GB Energy in the mix will also be considered.

At this stage, it is expected that the CBS will have a minority shareholding along with earlier Stage 1 and Stage 2 investors.

It is estimated that £3.3bn will be required to complete Stage 3. This stage will see the completion of all construction and installation activities, both onshore and off-shore, as well as the initial commissioning of the project before its transition to full operations.

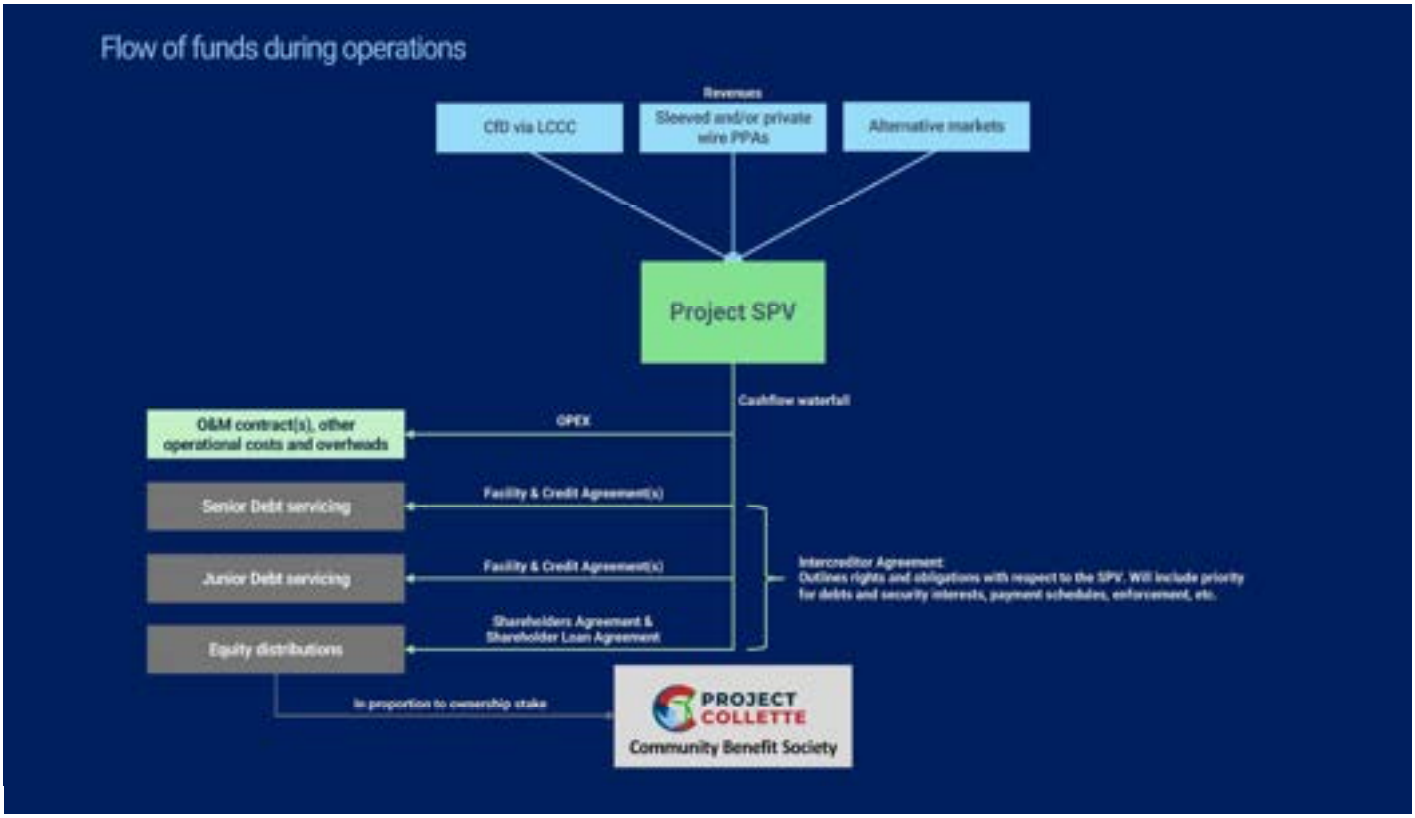
Stage 4 – Operations – OPEX – £90m a year

The operational phase of the project could last up to 60 years, assuming a 'repowering' event at year 30. This could provide a very long-term revenue stream for the CBS via equity distributions.

Usually, projects refinance during the operational phase to bring in lower-cost infrastructure fund debt from institutional investors such as pension funds. The lower risk profile of the project and the secure revenue streams allow such investors to have greater confidence in secure returns once the risky stage of construction has been completed. A refinance event could also include the purchase of existing shares in the project, for example, GB Energy and the Crown Estate.

Annual OPEX for Stage 4 will be in the region of £90m a year. The bulk (about 2/3rds) of the OPEX costs are in maintenance activities with 67% of those being accounted for by turbine maintenance. The majority of the rest of the OPEX costs are accounted for by insurance, administration, environmental studies, and community benefits/compensation.

The graph below illustrates the potential cash flow waterfall during Stage 4.



Further Considerations

Utilising Community Municipal Investments (CMIs) alongside SPV structuring could provide a secure pathway for local investors while leveraging non-recourse financing to bring in significant private capital. Debt guarantees from GB Energy or the National Wealth Fund could also mitigate risk for early stakeholders, building confidence and making it feasible for community members to participate in what can be a challenging sector in terms of initial capital requirements.

Additionally, aligning the SPV with community-centred financing models, like CMIs, could help Project Collette serve as a pioneering example for how large scale community owned renewable energy projects can structure funding inclusively, all while aligning with national net zero goals.

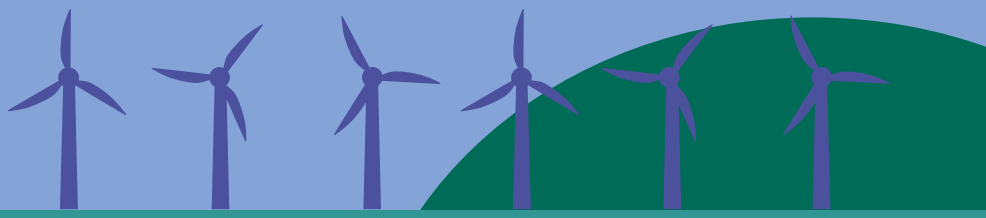
Offtakers

Another important component of the funding model is to identify and secure key offtakers for Collette's green power which will provide a natural mechanism for forging aligned partnerships. Sellafield as one the largest employers in the region and a significant energy consumer is a natural candidate to become a major offtaker for Project Collette and should be embedded into the project partnership from the beginning.

While a large offtaker could be Sellafield, there are many other large companies, institutions and utilities with large buildings and energy demands such as United Utilities, Stagecoach, New Balance, Kimberly Clark and BAE Systems etc.

From the outset, we have thought that Project Collette's green power could enable the production of green hydrogen that will complement decarbonisation and electrification in hard-to-abate sectors such as steel, cement and heavy road transport. There could also be the possibility of Collette coexisting with a Carbon Capture and Storage (CCS) or a Direct Air Capture (DAC) plant out at sea which would be highly innovative. As well as the opportunity to support a green steel manufacturing plant in Workington (or its surrounds). Collette's green energy could also power a sustainable aviation fuel factory and her green power could be exported (wholly or partly) to the grid.

CHAPTER



5 A LOCAL AND REGIONAL APPROACH

In addition to our Community Investment Model (CIIM), within this chapter, we highlight some of our other community financing proposals, which are in varying stages of development. These proposals will be developed further in the next phase of the project.

Project Collin – 'Now'

Recognising that the lead-in time for Project Collette could span many years, we have developed a more immediate community finance proposal for Cumbria called 'Project Collin' (also as in collective). Collin will invest in and refinance renewable energy investment opportunities to build community support, build up our community investor approach, build up our equity pot and generate investment and employment opportunities for renewable energy locally.

Mobilisation Through Transferring Commercial Assets into Community Ownership

The Community Benefit Society (CBS) will play a pivotal role in ensuring that local communities not only participate in but also financially benefit from Project Collette. A thoughtful governance and financing strategy is essential to achieving this goal.

Project Collin's approach would include capacity building for the CBS itself and would be defined by a strong governance structure, building its membership from the community, forming an experienced board, and creating robust asset management arrangements. These steps would ensure that the CBS can effectively manage its stake and maximise the revenue stream for the community over time.

A model similar to this is the CORE (Community Owned Renewable Energy) programme led by Finance Earth, Power to Change and Big Society Capital. CORE was established to scale community ownership of operational renewable energy assets.

Case Study: In 2021, the CORE (Community Owned Renewable Energy Partners) oversaw the first community energy (C/E) institutional investment, involving a senior loan from Aberdeen of £31m in refinancing 36 MW portfolio of solar assets. and a junior loan from Better Society Capital and Power to Change, as well as a significant contribution of community investment raised via a series of community share offers.

These solar farms are expected to generate stable, long–term revenues for communities – reinvested in new projects, and used to tackle local issues, including funding for fuel poverty and financial inclusion schemes. This is considered an important community solar investment, showcasing institutional interest in community energy initiatives, as well as a significant community investment raised via a series of community share offers.

Such an approach assumes that it would be initially driven by a top-down group of specialists that would be best placed to assess the asset's financial and operational viability, ensuring it meets the community's goals for sustainability, financial returns, and long-term benefits.

For inspiration on what sort of projects to invest in, Project Collin draws on Project Collette's stakeholder engagement research and considers existing local renewable energy projects, drawing on research on Cumbria's distributed renewable energy, commissioned by Cumbria's LEP (2024)[xv] . Project Collin is also aligned with principles of community engagement and sustainability characterised by the community energy sector nationally.

Key Elements to Consider

- Due diligence: The need to conduct in-depth financial, legal, and operational assessments of the asset to ensure its suitability for community investment.
- Capacity building: The CBS will need to develop strong governance, ensuring it can effectively manage the asset and deliver long-term benefits.
- Maximising social return: The CBS needs to ensure that the asset delivers strong financial and social returns for the community.

Pros

- Provides a structured, expert–led approach to community ownership, ensuring thorough due diligence.
- Lower risk than developing a new project, as the asset is already operational.
- Immediate revenue generation opportunities for the community, allowing reinvestment in local projects.
- Strengthens the CBS with a well-developed governance and asset management structure.

Cons

- Limited opportunity for the community to shape the project, as the asset is already operational.
- Dependent on identifying a developer willing to offer a community stake.
- The complexity of refinancing deals may require significant legal and financial expertise.
- The high cost of fees involved in refinancing deals.

‘New’ – ‘Sea Lords Of The West’ – Leasing Model

To develop a community-led offshore wind farm leasing model that is located off the Cumbrian coast, but the benefits are shared by West Cumbria communities and by coastal communities along the Irish Sea.

Overview

Perhaps the simplest way to make a community offshore wind project a reality would be to obtain a lease from the Crown Estate to sub-lease out a proportion of the seabed to the community, in the Irish Sea. This approach of sub-leasing seabed ‘berths’ from the Crown Estate for a test bed community-led offshore wind, we believe, has a lot of promise and we are excited by. It’s a straightforward, scalable way to enable coastal communities to beenfit benefit financially and participate meaningfully.

We believe such an idea could set a strong precedent for future community-led off-shore wind projects, showing policymakers, developers and coastal communities the value of community-driven offshore wind models.

How It Could Work

This proposal could work in the following ways:

1. **Seabed Lease from the Crown Estate:** Project Collette’s CBS would hope to secure a seabed lease from the Crown Estate, which would grant it the rights to a designated area off the Cumbrian coast in the Irish Sea. This lease would act as the foundation of the project, allowing the CBS to manage this section of the seabed.
2. **Rental Agreements for Offshore Development:** With the lease in place, Project Collette’s CBS would then create rental agreements for third-party organisations, such as offshore wind developers, wishing to use or develop specific areas within the leased seabed area. This structure creates a mutually beneficial arrangement, where developers gain access to a prime seabed location, while multiple communities enjoy financial returns. As a Sea Lord’ representing the Crown Estate, the CBS would negotiate these rental agreements, setting terms for usage, project duration, and rental payments.
3. **Profit Sharing:** The CBS would then distribute a percentage of the profits from these rental agreements, evenly to coastal communities along the Irish Sea, ensuring that Scotland, the Isle of Man, the North West of England, Wales, and the South West receive an equitable share.

Project Collette’s Community Benefit Society (CBS) would provide a clear framework for community-centred seabed management and by positioning the CBS as a ‘landlord’ for a portion of the seabed, this idea promotes national and regional community sovereignty and sets a strong foundation for similar community-led initiatives in the future.

Inspiration

- **Morlais Project:** This idea draws inspiration from the successful Morlais tidal stream energy project near Anglesey, which showcases the potential of marine energy projects.

Case Study: In 2014, the Crown Estate leased out 35 km² of seabed, specifically designated for tidal energy development. Managed by Menter Môn, the Morlais project is now one of the largest community-driven tidal energy initiatives in the UK. This project sets an inspiring precedent for community marine leasing that could be duplicated for community offshore wind. The project is being developed by Morlais, Menter Môn tidal stream energy project, to generate renewable energy from tidal streams while contributing to local economic growth and environmental sustainability. The Crown Estate's designation of the West Anglesey Demonstration Zone in 2014 demonstrates a precedent for community-focused marine energy initiatives that could be duplicated for community offshore wind.

Proposed Next Steps

1. **Concept Feasibility:** Develop the feasibility of this idea.
2. **Political Strategy:** Secure broad political and public support, build partnerships, and demonstrate the project's alignment with both local and national energy goals.
3. **Lease Arrangement:** Negotiate with the Crown Estate to lease a seabed area along the West Coast for community owned off-shore wind farm development.
4. **Community Investment Model:** Establish a model where local communities can invest in the project, ensuring they have a stake in its success.
5. **Profit Distribution:** Develop a clear framework for distributing profits to participating coastal communities, reinforcing local economies.
6. **Regulatory Approvals:** Navigate necessary regulatory frameworks and obtain approvals for seabed leasing and project development.
7. **Technical Feasibility:** Conduct feasibility studies to assess the technical requirements and environmental impacts of the proposed wind farm.
8. **Stakeholder Engagement:** Engage local stakeholders, including residents, businesses, and environmental groups, to build support and address any concerns.

Our 'Sea Lords of the West' proposal has the potential to be a pioneering leasing project that empowers multiple coastal communities along the Irish Sea while contributing to the energy transition. By fostering local investment and ensuring that the economic benefits are shared by coastal regions, this project can serve as a model for future leasing community-led energy initiatives across the UK and beyond.

Pooled Bonds – Local Authorities as Sea Lords of The West

If it is not possible to secure a sed bed lease, we propose that Project Collette could be the catalyst for a pooled investment initiative supported by the Municipal Bond Agency (MBA) that would support offshore wind development and related infrastructure in the Irish Sea and surrounding coastal communities.

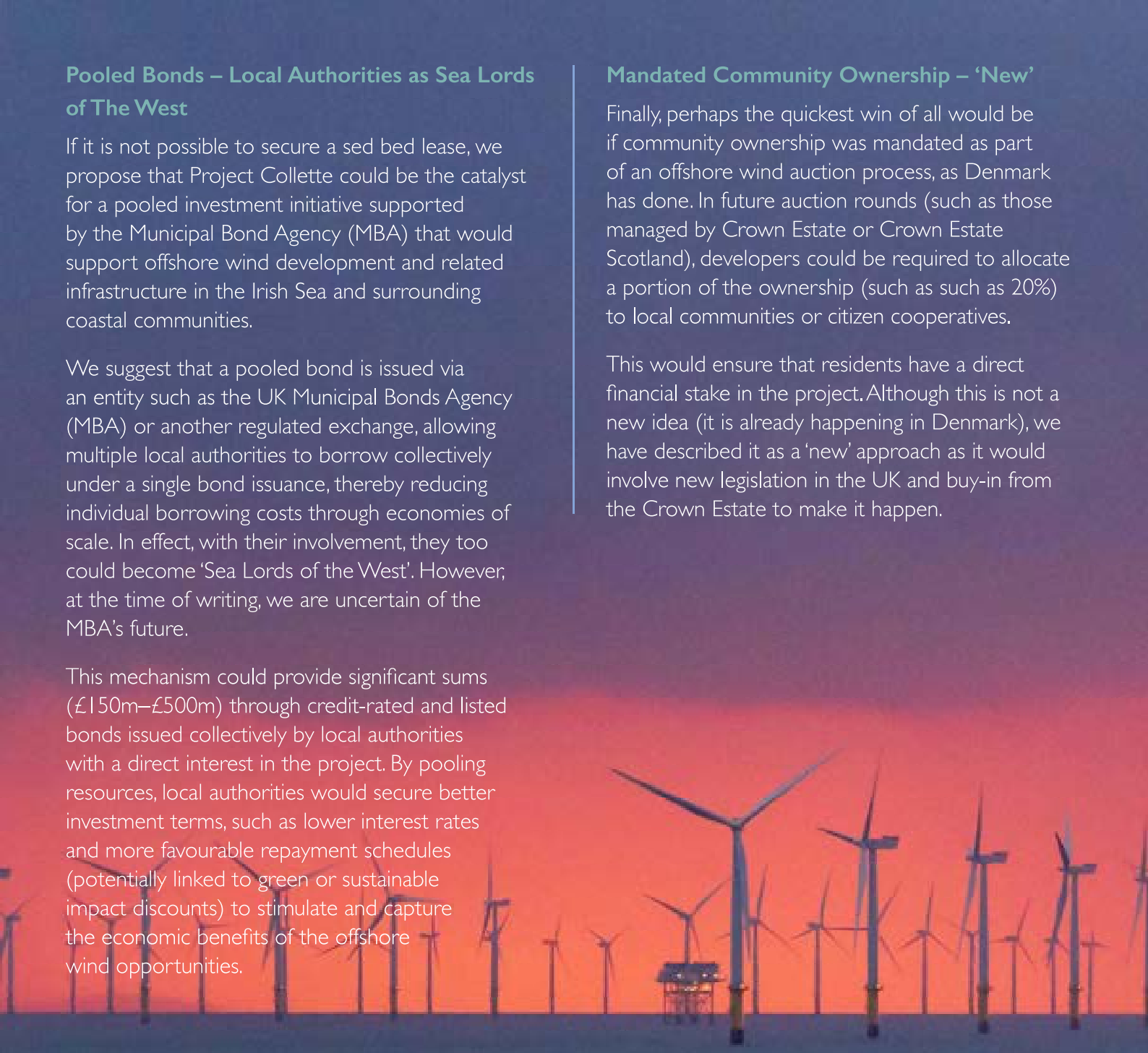
We suggest that a pooled bond is issued via an entity such as the UK Municipal Bonds Agency (MBA) or another regulated exchange, allowing multiple local authorities to borrow collectively under a single bond issuance, thereby reducing individual borrowing costs through economies of scale. In effect, with their involvement, they too could become 'Sea Lords of the West'. However, at the time of writing, we are uncertain of the MBA's future.

This mechanism could provide significant sums (£150m–£500m) through credit-rated and listed bonds issued collectively by local authorities with a direct interest in the project. By pooling resources, local authorities would secure better investment terms, such as lower interest rates and more favourable repayment schedules (potentially linked to green or sustainable impact discounts) to stimulate and capture the economic benefits of the offshore wind opportunities.

Mandated Community Ownership – 'New'

Finally, perhaps the quickest win of all would be if community ownership was mandated as part of an offshore wind auction process, as Denmark has done. In future auction rounds (such as those managed by Crown Estate or Crown Estate Scotland), developers could be required to allocate a portion of the ownership (such as such as 20%) to local communities or citizen cooperatives.

This would ensure that residents have a direct financial stake in the project. Although this is not a new idea (it is already happening in Denmark), we have described it as a 'new' approach as it would involve new legislation in the UK and buy-in from the Crown Estate to make it happen.



Case Study: Danish Nearshore Wind Farm Tender (2015–2016)

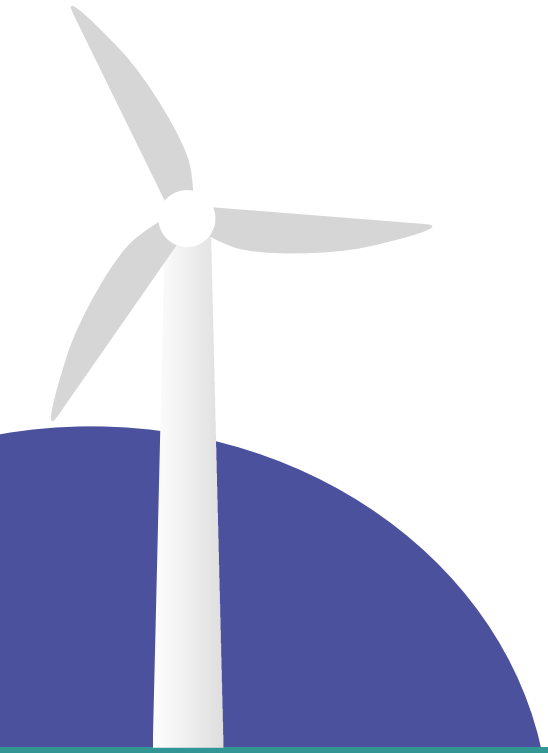
Denmark's approach to mandating community ownership in offshore wind showcases how community involvement can be integrated into large-scale renewable energy projects. In 2008, Denmark's Renewable Energy Act, established a 'local ownership' scheme requiring developers of large wind projects to offer a minimum of 20% ownership to local residents within a specific radius of the project. The Danish Energy Agency's Nearshore Wind Farm Tender (2015–2016) was one of the first tenders to formally mandate community ownership for offshore wind and it was aimed at ensuring that communities near the projects could directly benefit from and have a stake in them. This ensured broad-based community participation rather than concentration of ownership in a few hands. The tender also required developers to conduct community engagement sessions, and helped build trust, address community concerns, and promote the financial benefits of the project.

Such an approach in the UK, could transform the dynamics of offshore wind, by embedding local communities directly in ownership structures. Another approach which could have a significant impact, could be to offer ownership of a single turbine which can cost around £70m. This would allow community investors to collectively own one turbine within a larger wind farm, ensuring they have a stake in the project without requiring full project-scale funding and all the ensuing risks.

One concern though is that it potentially exposes the community to the operational risks of a single turbine, rather than the diversified asset base of the whole wind farm which might require flexibility in terms of the investment return and other complexities for investors. We'd be happy though to help work on this idea more with others.

Community Ownership Must be Strategic Rather Than Aid the Planning Process

The mandating of some form of coastal community ownership or investment would significantly simplify the financing process. However, it is important that' community ownership' or 'investment' is regarded as a strategic investment in long-term community wealth and resilience. When coastal communities hold meaningful stakes in these projects, they gain more than short-term returns; they secure a continuous economic legacy that can foster local development, job creation, and reinvestment into future community-led initiatives.



While the Crown Estate is unique (it is neither a public nor fully private body), it does operate with an ethos of sustainability and responsibility. It has its own initiatives to support social, economic, and environmental outcomes, such as focusing on renewable energy, sustainable development, and partnerships with local communities. With the new powers granted to the Crown Estate under the 2024 Bill to borrow money from the Government, with Treasury consent, to invest in more expensive projects and free it up to 'make better use of its assets'.

We would like to see a portion of these funds involve community actors earlier in the development cycle. These early-stage investments could help communities access the necessary financial resources to do feasibility studies, legal support, and community engagement and help balance the financial power and control that commercial developers typically have. Enabling communities to play more of a significant role in shaping projects from the outset.

CONCLUSION AND NEXT STEPS

Within this report, we have suggested various ways of financing a community-led offshore wind farm. Our recommendations emphasise the possibility of greater community ownership and ensure that the benefits of offshore wind are shared more equitably, not just as a form of charity or goodwill but as a fundamental right for local people. Protecting communities from risks while also empowering them to be part of the financial upside can help foster long-term support for coastal communities in Cumbria and along the Irish Sea. We believe our approach will help ensure that communities don't just become passive recipients of the environmental and economic benefits, but active stakeholders in the success of the project.

We truly believe Project Collette has the potential to be genuinely groundbreaking in how she is owned and financed, and in how she can make a major difference to the Cumbrian economy and other coastal communities, providing thousands of jobs to the local area and down through the supply chain.
Doing a business plan and risk management will be key to our next steps and some strategies for mitigating the risks include:

1. **Community Engagement and Approval**
   - Establish a transparent stakeholder engagement plan that involves the community from the outset. We will continue to host information sessions and workshops to educate and gather input from local residents.
2. **Financial Planning and Capital Investment**
   - Develop a detailed financial model that outlines expected costs, funding sources, and financial projections. Engage with experienced financial advisors or partners who specialize in renewable energy financing to secure the necessary capital.
3. **Addressing Long Development and Payback Periods**
   - Consider securing long-term contracts for power purchase agreements (PPAs) to stabilise cash flows and attract inverstors. Communicate the potential for long-term benefits to investors, highlighting community investment strategies.
4. **Consider Cost Overruns**
   - Implement robust project management practices, including thorough risk assessments and contingency plans. Partner with experienced contractors who have a proven track record in offshore wind projects to help mitigate these risks.
5. **Grid Connection**
   - Engage early with grid operators to assess connection options and identify potential challenges. Include grid connection strategies in your project plan, ensuring that these are addressed as a priority.
6. **Raising Equity and Debt:**
   - Build strong relationships with investors and financial institutions by presenting a solid business case and a clear value proposition. Consider diversifying funding sources, including public grants, community shares, and partnerships with larger energy firms.
7. **Operational, Policy, and Market Risks:**
   - Stay informed about regulatory changes and market trends by establishing relationships with industry bodies and local government. Conduct regular market analyses to anticipate shifts in energy prices and adjust project strategies accordingly.

Further Considerations – Project Collette – 'The Nation's Asset'

If GB Energy is interested in our project – it would make sense as a structure to distribute/devolve our investment strategy to several local authorities with coastal communities along the Irish Sea. Project Collette could then become the 'nations' community-owned offshore wind farm whose profits would be evenly distributed to coastal communities along the Irish Sea.

Local authorities are increasingly looking to invest in renewable energy assets, as part of their net zero commitments. However, they often face budget constraints or regulatory barriers that limit their ability to directly invest in renewable energy projects.

We suggest that GB Energy be constituted in such a way that local communities (and all UK citizens) are given a stake or a meaningful seat at the table and have a voice in the shaping of the UK's energy future.

- Unlock the investment potential of the UK's £360bn Local Government Pension Schemes (LGPS).
- GB Energy can rewrite the utility development handbook to demonstrate the benefits of engaging communities early in the development process and give citizens the right to invest in ways that are appropriate and can support their individual financial needs and goals.
- GB Energy can also crowd in citizen capital throughout the development process to free up its balance sheet to invest in further projects and achieve its aim of leveraging the billions of pounds needed without significantly expanding the UK government's debt.

Unlocking Investment from Local UK Schemes and Aggregation

- In addition to the potential role of GB Energy, we are also interested in the wider opportunities in unlocking the investment potential of the UK's £360bn Local Government Pension Schemes (LGPS) to free up investment for infrastructure projects. Pension megafunds will be created as part of the biggest set of pension reforms in decades, unlocking billions of pounds of investment in exciting new businesses and infrastructure and local projects. We note, the Chancellor is advocating this approach, which is similar to the Canadian model of investing in equities and infrastructure.
- Historically, smaller UK pension funds have faced challenges in competing with larger overseas entities for investment opportunities in UK infrastructure projects. This is despite a strong willingness to invest in infrastructure as an asset class, and an alignment with long-term liabilities and stable returns. The Local Government Pension Scheme (LGPS), through a the proposed mega fund could become pivotal in financing the UK's transition to net zero.

Some Next Steps

- Fundraise to do more detailed financial modelling and further refine the investment strategy for Project Collette's development phases. This will form a key part of the pre-development phase, and the interim next steps before we can raise the £5m. This will also involve starting a project information memorandum and engaging with key stakeholders and potential investors.
- Continue to engage with the community work out the right community framework for them to be involved in both Project Collette and Project Collin.
- Engage with GB Energy, investors, local authorities, the Crown Estate, and offshore wind developers, to assess financing and community financing opportunities.
- Engage with the Crown Estate about the 'Sea Lords of the West' idea and the opportunity to oversee the community lease of a proportion of the sea bed, where profits would be distributed to coastal communities along the Irish Coast.
- Once we are confident of the future of this project, we will set up a Community Benefit Society (CBS) for both Project Collette and Project Colin.
- The CBS will have a strong governance structure and it will have an experienced board. Membership of the CBS will come from the community.
- The CBS will also consider how to generate opportunities for smaller-scale onshore energy projects (Project Collin) to instil a local investing mindset and demonstrate the benefits of directing money to invest in local green projects.
- The CBS will also engage with local renewable energy developers, such as Dean Moor Solar Farm, to assess financing opportunities and we will explore with finance specialists and perform detailed due diligence on potential assets.

Some Abbreviations

BECCS – Bioenergy with Carbon Capture & Storage

CAPEX – Capital Expenditure

CBS – Community Benefit Society

CCC – Climate Change Committee

CES – Crown Estate Scotland

CfD – Contracts for Difference

DECEX – Decommissioning Expenditure

DESNZ – Department for Energy Security & Net Zero

DEVEX – Development Expenditure

LCOE – Levelised Cost of Energy

MMO – Marine Management Organisation

OFGEM – The Office of Gas and Electricity Markets

OPEX – Operating Expenses

OFTO – Offshore Transmission Owner

O&M – Offshore and Maintenance

OW – Offshore wind

OWAT – Offshore Wind Acceleration Taskforce

PPA – Power Purchase Agreement

SPV – Special Purpose Vehicle

TCE – The Crown Estate

SEIS – Seed Enterprise Investment Scheme

EIS – Enterprise Investment Scheme

Glossary

- Capital Expenditure – includes the upfront costs for equipment, installation, and infrastructure.
- Community Energy – according to Community Energy England, includes projects that are 'wholly owned and/or controlled by communities or through a partnership with commercial or public sector partners.'
- Climate Positive – when an activity goes beyond achieving net zero to create an environmental benefit by removing additional carbon dioxide from the atmosphere.
- Community Finance – involves raising funds from a group of people to support a project or initiative. This can be done through donations, loans, investments, or pre-sales.
- Contracts for Difference (CfD) – the Government's primary mechanism for supporting new low-carbon power infrastructure.
- A Community Municipal Agency (CMA) – a local government or municipal body set up to raise funds for community projects, often through community bonds or similar investment mechanisms.
- Community Municipal Initiative (CMI) – is a financial and governance model where local authorities partner with communities to fund and deliver public projects.
- Debt – includes long-term bank loans, bond issues, or leasing energy equipment. In the UK, the wind sector is financed by debt capital, sponsor equity, and project finance. Debt capital is considered less risky and therefore usually has a relatively lower value than equity capital.
- Decommissioning – refers to the cost of safely dismantling the wind farm at the end of its operational life.
- Investability – when the scale, risk and returns of an investment are attractive to investors under current conditions. 'Investment Ready' – when a project is at the stage where it can secure either enough equity to build the project or, more likely, a combination of equity plus debt.
- Operating Expenses (OPEX) – accounts for operational and maintenance costs over the wind farm's 30 year lifespan.
- Levelised Cost of Electricity (LCoE) – is a measure of the average net present cost of electricity generation for a generator over its lifetime.
- A Nested Bond – a financial instrument structured in a tiered format, where multiple layers or 'tranches' of bonds are issued at different levels.
- Net zero – the balance between the amount of greenhouse gas (GHG) that's produced and the amount that's removed from the atmosphere.
- Non-recourse financing – a type of loan where the borrower is not personally liable for the debt beyond the collateral provided.
- Private Wire PPA – a direct energy supply arrangement between an energy generator (typically a renewable energy producer) and a corporate or institutional buyer, through a private wire connection, bypassing the grid.
- Project Finance – the funding of long-term infrastructure projects, and public services using a non-recourse or limited-recourse financial structure. The debt and equity used to finance the project are paid back from the cash flow generated by the project.
- Refinancing – in the renewable energy sector typically involves replacing existing high-cost financing with new, lower-cost financing once a project has been de-risked – such as when it's fully operational and generating predictable cash flows.
- Repowering – the stage of a project where the infrastructure is renewed to continue to generate the optimal amount of power without high maintenance and repair costs.
- Shared Ownership – any structure which involves a community group as a financial partner over the lifetime of a renewable energy project. (Source: Scottish Government's Good Practice Principles).
- A Sleeved Wire Power Purchase Agreement (PPA) – a specific type of PPA where a corporate buyer (such as a company or local authority) purchases renewable energy directly from a generator (like wind or solar farm) through a third-party intermediary, typically a utility or energy supplier.
- Transition Finance – broadly defined as financing corporate decarbonisation, with a particular emphasis on hard-to-abate sectors.

ANNEX

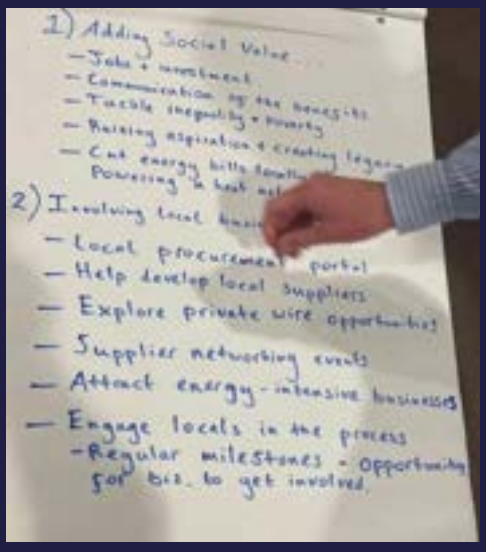
Results from our Stakeholder Engagement and Community Survey

Our Stakeholder Engagement in July to September 2024, consisted of an online survey, fieldwork in four different locations along the Cumbrian coast, and six face-to-face events, of which four were noted.

In total, 578 people responded to the survey (301 responses were from the fieldwork interviews), and about 120 people attended the four face-to-face events and completed the survey). The face-to-face events were with the Westogether network, Britain Energy Coast Business Cluster (BECBC), the Solway Firth Partnership and two community discussion events which were open to anyone to attend.

The survey results showed that 34% of respondents expressed strong support and 30% expressed support for Project Collette – 64% in total. Levels of support geographically ranged from 58.2% in Whitehaven to 46.8% in Workington and there was a minority who either opposed (4.7%) or strongly opposed (6.6%) the project and this ranged from 17.3% in Maryport to 3.8% in St Bees.

Photo taken at the Britain Energy Coast Business Cluster (BECBC) event on Project Collette on August 7th 2024.



The most often cited benefits people saw emerging from the project were job creation, skills training and discounted electricity.

Community Benefit Funding in Cumbria

There were multiple suggestions for where funding from a community benefit fund could be channelled such as –

- Funding for the St Bees cycleway, which was promised as part of the Cumbria coal mine planning application.
- Funding to those who are most negatively impacted by the project – such as those working in the local fishing industry.
- Funding could also go to pay for a seasonal wildlife ranger to look after coastal birds. Subsidies for more EV chargers and links with other groups taking this forward.
- Set up an EV car club for people who don't have a car.
- Set up a park-and-ride – electric minibus into Wasdale from Ravenglass.
- Support those with a disability. e.g. in Maryport, provide a funicular railway to attractions to improve accessibility. Fund social businesses, who will benefit communities.
- Spend the money on things that don't generate an income (e.g. Maryport Sea Festival).

Objections

Those who objected to Project Collette did so mainly because they felt the wind farm would spoil the view. Others were concerned about the impact on marine and bird life and the local fishing industry. There was also a significant amount of scepticism about whether the local benefits of the project would ever be realised.

Investing Interest

Respondents were asked if they would consider investing in a community-owned offshore wind farm like Project Collette. 32% said yes, 38% said no, and 30% weren't sure. Younger people were more likely to consider investing than older people – 35% of those aged under 50 said yes, whereas over half (53%) of those aged 70+ said no. The main barriers to investment were a lack of interest, a lack of funds, and a need for more information.

Communications

They were calls for honest, sustained and clear communication about the project, and updates on milestone developments. It was emphasised that the project needs to tell a story while being credible, to meaningfully engage people.

Photo taken at our Stakeholder Engagement workshop, September 4th 2024 in Whitehaven.

Endnotes

i Source: www.morlaisenergy.com

ii Source: www.aquatera.co.uk/news/community-owned-wind-farms-have-paid-their-communities-34-times-more-than-commercial-counterparts

iii Source: www.thecrownestate.co.uk/news/offshore-wind-industry-unveils-industrial-growth-plan-to-create-jobs

iv Six offshore wind farms along Cumbria's Irish Sea coast, and two as part of Robin Rigg in the Solway Firth

v Source: Green Investment Report Cumbria, 2021

vi Source: www.thecumbrialep.co.uk/news-detail/2023/insight-into-offshore-wind-industry-for-cumbria-supply-chain

vii Source: www.abports.co.uk/news-and-media/latest-news/2024/abp-unveils-ambitious-masterplan-for-port-of-barrow

viii Sources: www.common-wealth.org/publications/plug-in-public-power-the-case-for-commnunity-energy-democracy#fn9 and www. hansard.parliament.uk/commons/2023-09-12/debates/78356 1E0-052D-4D3A-BEE1-4D628 1C69727/OffshoreWindPublicOwnership

ix Source: www.cms.ore.catapult.org.uk/wp-content/uploads/2017/12/SP-0012-The-Economic-Value-of-Offshore-Wind-1.pdf

x Source: www.offshorewind.biz/2024/09/03/5-3-gw-of-uk-offshore-wind-projects-secure-contracts-for-difference

xi Source: www.theguardian.com/business/2024/oct/16/gb-energy-can-become-a-major-power-generator-says-its-chief-executive

xii Source: www.baumaninstitute.leeds.ac.uk/research/cmis-local-climate-bonds

xiii Source: Abundance Investment Ltd

xiv Source: wfo-global.org/wp-content/uploads/2022/09/WFO_FinancingOffshoreWind_2022.pdf

xv Source:www.thecumbrialep.co.uk/resources/uploads/pages/net_zero/CLEP-Distributed-Energy-Strategy-Final.pdf

GFCH GREEN FINANCE COMMUNITY HUB
Making it Happen

Project Collette

Community Research

September 2024

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Contents

Executive Summary

- 301 face-to-face interviews were carried out in West Cumbria and 277 surveys were completed online, making a total of 578.
- 49% of respondents were female and 51% male.
- 60-69 year olds formed the highest percentage of respondents, at 29%, followed by 50-59 year olds at 24%. In total, a third (34%) of the respondents were under the age of 50, half (52%) were aged between 50 and 69 years old, and 13% were over the age of 70.
- 82% of respondents live on or near the west coast of Cumbria. 12% live elsewhere in Cumbria, and 6% were from outside of the county.
- People were asked the extent to which they care about climate change and want to see more action taken to tackle it. 61% of people said 'a lot' and another 23% said 'a little'. One in ten were neutral on the subject and 6% were not bothered.
- Younger people showed higher levels of concern than the older generations. 64% of those under the age of 50 said they cared 'a lot' about climate change and wanted to see more action taken to tackle it – whereas 14% of those aged 70 or over said 'not a lot'.
- People were asked how important they think it is that we use renewable energy sources, such as wind or solar power. Half (50%) thought this was very important, and another 34% thought it important – so 84% agreeing to some extent that it is important that we use renewable energy sources.
- People were asked if they were aware of Cumbria's contribution to the UK's offshore wind target. 27% were fully aware, but a similar proportion (25%) had no idea. Just under half (48%) were aware of the wind farms, but not of how much they contributed.
- People were asked to what extent they would support a proposal for a large community-owned wind farm off the coast of West Cumbria. 64% of respondents supported the idea to some extent, 34% strongly. 14% were neutral on the subject, and 11% were opposed to the idea. 9% wanted more information before deciding.
- Younger people were more likely to support such a project. 74% of those under the age of 50 showed some level of support, compared to 61% of those aged 50-69 and 53% of those aged 70 or over.
- People were given the chance to comment. There was a lot of support for the idea, but some people felt they needed more information/detail. There were concerns about the visual and environmental impacts, and the need to take into account construction and disposal factors, and some people expressed doubt about how genuine community ownership would be. Others said there were already too many wind turbines in the area. A couple of people suggested that investment should be in nuclear, and some expressed a preference for offshore rather than onshore turbines.
- People were asked what benefits they would like to see, and asked to rank a series of factors in order of importance, or to include their own suggestions. Job creation, and discounted electricity were both most commonly placed as the most important potential benefit. Looking at the mean across all scores, job creation came first, followed by opportunities for re-skilling and training for jobs, closely followed by discounted electricity.
- People were asked if they personally would consider investing in a community-owned offshore wind farm like Project Collette. 32% said yes, 38% said no, and 31% weren't sure.
- Younger people were more likely to consider investing than older people – 37% of those aged under 50 said yes, whereas over half (51%) of those aged 70+ said no.
- The main barriers to investment were a lack of interest, a lack of funds, and a need for more information.

1. Introduction

Project Collette is a project of the Green Finance Community Hub CIC, developed in partnership with ARUP and Energy 4 All, and supported by Cumbria Action for Sustainability (CAfS), Abundance Investments, Britain's Energy Coast Business Cluster (BECBC), Enterprising Cumbria, the Community Energy Fund (CEF) and many others.

Project Collette has ambitions to be a groundbreaking part community-owned offshore wind farm that could bring hundreds of jobs to West Cumbria, generate enough electricity to power a million homes and enable the local community to make key decisions about some of the profits.

Currently, less than 1% of UK offshore wind is owned by UK investors, meaning very little of the profit remains in the country. Collette's aims are threefold: to offer a unique homegrown, renewable energy ownership opportunity to UK investors; to bring that investment to Cumbria; and to channel benefits into local projects, as decided by local people.

Community engagement is a key part of the development of Project Collette, and the team plan to do this through a series of local events, and also through direct market research, the subject of this report.

1.1 Methodology

A questionnaire was developed, to be used in two ways – with face-to-face interviews by a team of trained professionals, and also as an online survey which could be widely shared.

The questionnaire included:

- respondent profile (gender, age, residence)
- views on climate change
- views on renewable energy sources
- awareness of Cumbria's wind farms/contribution
- levels of support for Project Collette
- ranking of the potential benefits of Project Collette
- personal investment intentions
- opportunity to leave contact details for an event on 4th September in Whitehaven to discuss the project further

301 face-to-face interviews were carried out in Workington, Whitehaven, Maryport and St Bees between 22nd July and 9th August 2024.

At the same time, the online survey was promoted and shared by CAfS in the following ways:

- Via a mailout to 347 individuals, identified through a stakeholder mapping exercise, as well as asking them to circulate through their networks.

- Specifically shared with the Westogether network comprising grass roots organisations in West Cumbria taking action on climate change, and with the Britain's Energy Coast Business Cluster (BECBC).
- Posted on social media - Linkedin, Facebook, Instagram
- Included in the CAfS newsletter which has 4000+ readers.

The project was also covered on ITV News on 7th August:
Plans revealed to build £3bn offshore wind farm in West Cumbria | ITV News Border

A further 277 surveys were completed online, making a total of 578.

1.2 Sample Size

All surveys are subject to some degree of statistical error. The size of this error varies with the sample size, population size and strength of response. The table below shows a range of sample sizes, and the margins within which you can be 95% certain that the figures will be true if the sample is a random one. For example, if you have a sample size of 500, and 80% of them answered 'yes' to a particular question, you could be confident that any repeat of the survey would generate between 76.5%-83.5% 'yes' answers.

Statistical Reliability					
Sample size	**10% or 90%**	**20% or 80%**	**30% or 70%**	**40% or 60%**	**50%**
500	±2.6	±3.5	±4.0	±4.2	±4.4
400	±2.9	±3.9	±4.5	±4.8	±4.9
250	±3.7	±5.0	±5.7	±6.1	±6.2
100	±5.9	±7.8	±9.0	±9.6	±9.8
50	±8.3	±11.1	±12.7	±13.6	±13.9

To determine how accurate your survey data is as a representation of the wider population requires three numbers:

1. **The total number of people your survey represents**. For example, if you're conducting a survey in a care home, the total number of people in the care home will be the population size.
2. **The sample size**. This is how many people within the population that responded to your survey. Their views are a sample of the total population and will be used to speak for the wider group.
3. **The confidence level**. This number is how confident you are that the views expressed by the sample size are an accurate reflection of the total population. The higher the number, the more confident you are.

The resident population of Whitehaven, Workington, Maryport and St Bees is in the region of 54,000 (Census data 2021). A sample of 578 from this combined resident population statistically produces answers at a 95% confidence level that will be accurate to +/-4.05% or better.

It is generally accepted that an error level of around +/-5% is needed for reliable and robust results, within accepted market research industry standards, and this sample falls nicely within that range, and so should be considered robust, and representative of the population of residents in those areas as a whole.

2. Results

2.1 Respondent Profile

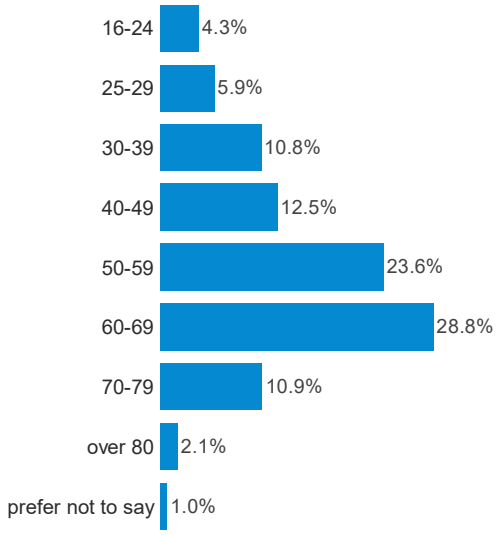
Gender

49% of respondents were female and 51% male.

Age Group

60-69 year olds formed the highest percentage of respondents, at 29%, followed by 50-59 year olds at 24%.

In total, a third (34%) of the respondents were under the age of 50[1], half (52%) were aged between 50 and 69 years old, and 13% were over the age of 70.



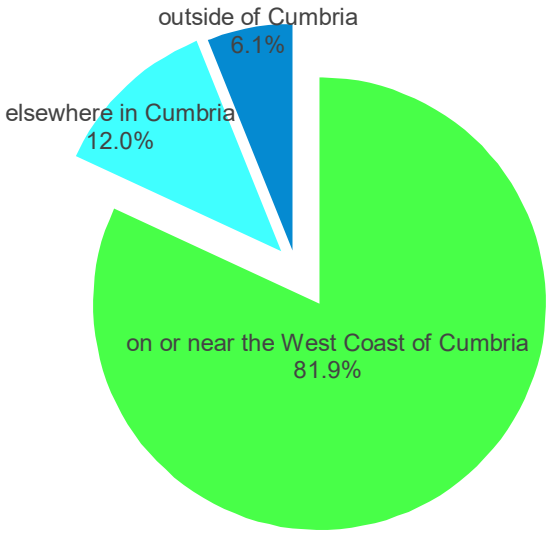
Three age bands were created, to test any differences in responses between age groups. These were for the under 50s, 50-69 year olds, and people aged 70 or older.

[1] Following Market Research Society guidelines, face-to-face interviews were not carried out with anyone under the age of 16.

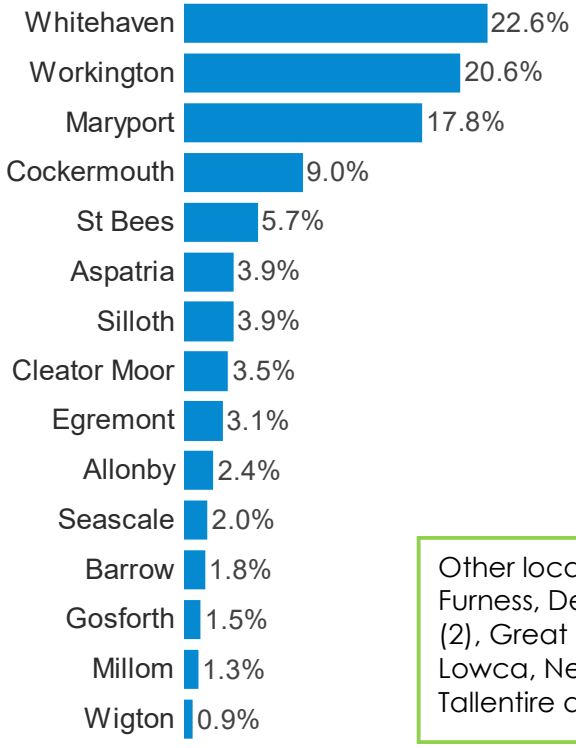
Residence

82% of respondents live on or near the west coast of Cumbria.

12% live elsewhere in Cumbria, and 6% were from outside of the county.



Those living on or near the west coast of Cumbria were asked for their nearest town or village. 23% live in Whitehaven, 21% in Workington, and 18% in Maryport (three of the four locations for face-to-face interviews).



Other locations were: Beckermet, Broughton in Furness, Dearham (6), Drigg, Ennerdale, Frizington (2), Great Broughton, Great Clifton, Harras Moor, Lowca, Nethertown (2), Ravenglass, Saltcoats, Tallentire and Waberthwaite.

People from elsewhere in Cumbria were also asked for their nearest town or village.

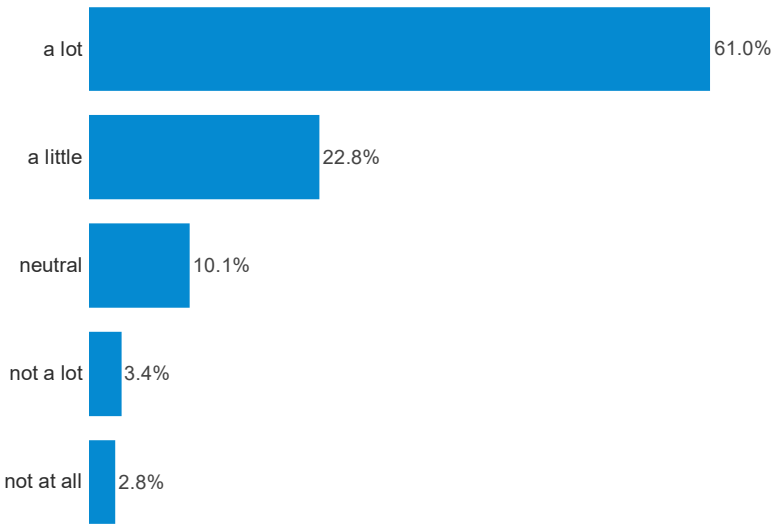
Largest numbers were from Carlisle (14) and Kendal (9).

Place	Number
Ambleside	1
Appleby	1
Arnside	1
Brampton	4
Brampton	3
Brigham	1
Broughton in Furness	1
Carlisle	14
Cartmel	1
Coniston	1
Dalston	2
Dubwath	1
Greystoke	2
Hethersgill	1
Kendal	6
Keswick	9
Langwathby	1
Low Hesket	1
Penrith	6
Staveley	1
Threlkeld	2
Uldale	1
Ulverston	6
Wigton	1
Windermere	1

2.2 Climate Change and Renewable Energy

Climate Change

People were asked the extent to which they care about climate change and want to see more action taken to tackle it.

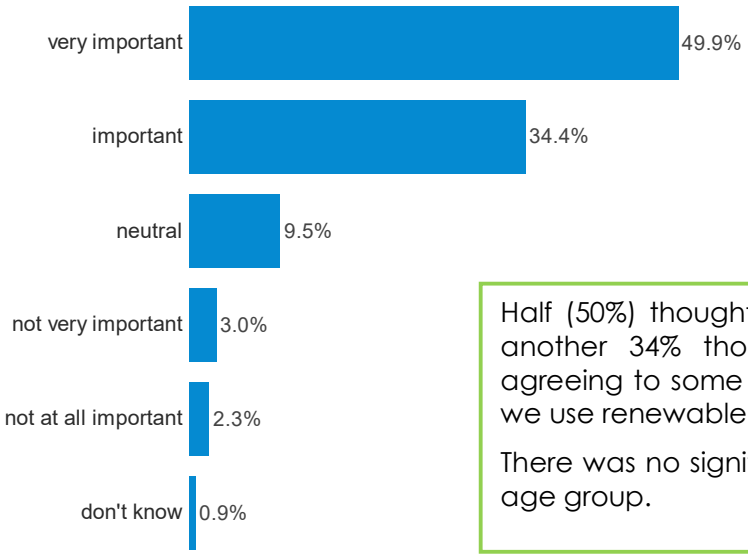


61% of people said 'a lot' and another 23% said 'a little'. One in ten were neutral on the subject and 6% were not bothered.

Younger people showed higher levels of concern than the older generations. 64% of those under the age of 50 said they cared 'a lot' about climate change and wanted to see more action taken to tackle it – whereas 14% of those aged 70 or over said 'not a lot'.

Renewable Energy

People were asked how important they think it is that we use renewable energy sources, such as wind or solar power.

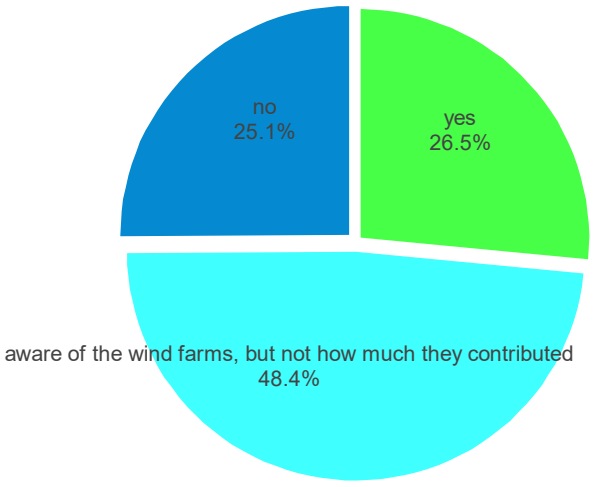


Half (50%) thought this was very important, and another 34% thought it important – so 84% agreeing to some extent that it is important that we use renewable energy sources.

There was no significant difference according to age group.

People were told "Offshore wind is central to the new UK government's drive for clean energy generation - around 14GW capacity is already in operation and the new target is for a total of 55GW to be achieved by 2030. Collette will help achieve this target. Cumbria is already contributing 1.83 GW of installed offshore wind capacity, with six offshore wind farms along our Irish Sea coast, and two as part of Robin Rigg in the Solway Firth. In 2020, these wind farms generated 11% of the UK's total electricity".

They were asked if they were aware of Cumbria's contribution to the UK's offshore wind target.



27% were fully aware, but a similar proportion (25%) had no idea. Just under half (48%) were aware of the wind farms, but not of how much they contributed.

There was no significant difference according to age group.

2.3 Project Collette

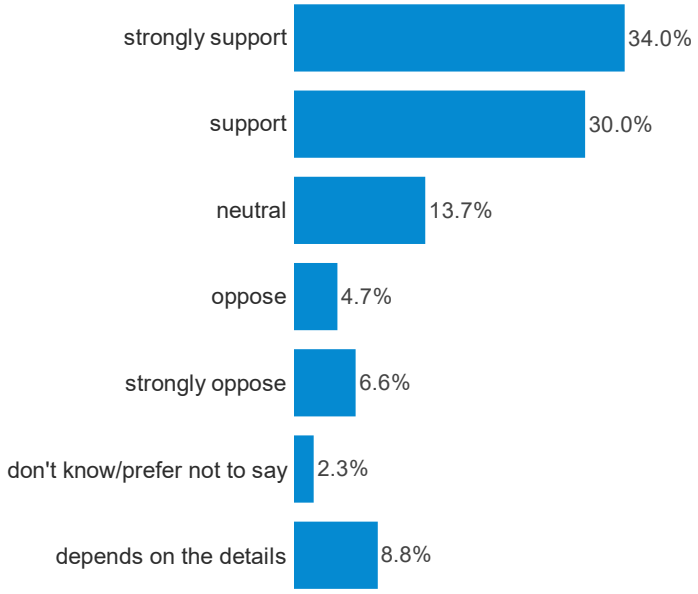
Having already been introduced to Project Collette at the beginning of the survey, people were then asked to what extent they would support it, what benefits they would like to see, and whether they might personally invest, and comments/feedback was invited.

Support

People were asked to what extent they would support a proposal for a large community-owned wind farm off the coast of West Cumbria.

64% of respondents supported the idea to some extent, 34% strongly.

14% were neutral on the subject, and 11% were opposed to the idea. 9% wanted more information before deciding.



Younger people were more likely to support such a project. 74% of those under the age of 50 showed some level of support, compared to 61% of those aged 50-69 and 53% of those aged 70 or over.

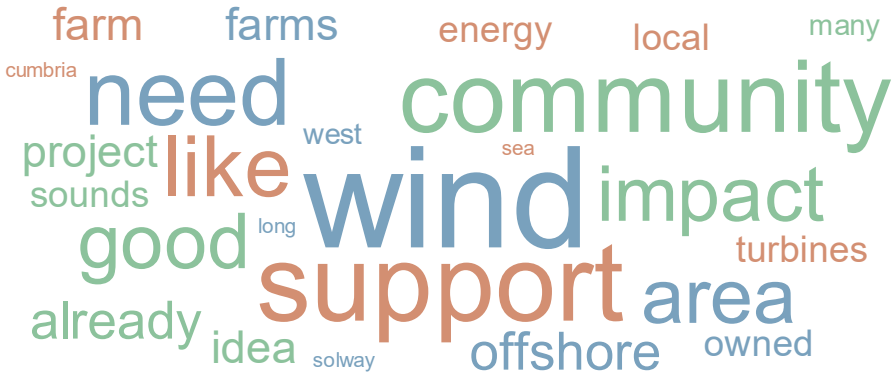
Levels of support were stronger for people living elsewhere in Cumbria (although this is a smaller sample).

Levels of Support	On/Near West Coast	Elsewhere in Cumbria	Outside of Cumbria
strongly support	26.4%	75.7%	51.4%
support	32.8%	14.3%	25.7%
neutral	14.9%	4.3%	14.3%
oppose	5.5%	-	2.9%
strongly oppose	7.7%	-	5.7%
don't know/prefer not to say	2.8%	-	-
depends on the details	10.0%	5.7%	-
Base	**470**	**70**	**35**

Looking at locations on/near the West Coast (those with a sample size of 20 or more) shows that levels of 'strong support' were highest in Cockermouth, while those in Maryport showed the highest levels of opposition.

Levels of Support	Cockermouth	Maryport	St Bees	Whitehaven	Workington
strongly support	43.9%	22.2%	30.8%	22.3%	20.2%
support	39.0%	34.6%	15.4%	35.9%	26.6%
neutral	9.8%	13.6%	23.1%	15.5%	24.5%
oppose	-	7.4%	7.7%	4.9%	5.3%
strongly oppose	2.4%	9.9%	3.8%	7.8%	3.2%
don't know/ prefer not to say		3.7%	-	3.9%	3.2%
depends on the details	4.9%	8.6%	19.2%	9.7%	17.0%
Base	**41**	**81**	**26**	**103**	**94**

People were given the chance to comment. Responses are shown below as a word cloud. Word clouds are used as a visual representation of literal comments. The most frequently mentioned words are shown in the largest size. This word cloud shows the top 25 words.



All responses are shown verbatim in appendix one. There was a lot of support for the idea, but some people felt they needed more information/detail. There were concerns about the visual and environmental impacts, and the need to take into account construction and disposal factors, and some people expressed doubt about how genuine community ownership would be. Others said there were already too many wind turbines in the area. A couple of people suggested that investment should be in nuclear, and some expressed a preference for offshore rather than onshore turbines.

Benefits

People were asked what benefits they would like to see, and asked to rank a series of factors in order of importance, or to include their own suggestions.

The rankings have been analysed by score – where a value of 1 is allocated to the most important, and 5 to the least important. This provides a good statistical baseline against which to compare across metrics, or to track change over time.

The table below shows these scores ranked in order of most important to least important, along with the mode for each (most common rating).

Benefits	Score	Mode
job creation	2.08	1
opportunities for re-skilling and training for jobs in the renewable energy sector	2.57	2
discounted electricity	2.72	1
funding for community projects	3.29	3
the opportunity for ordinary people to invest in offshore windfarms	3.89	5

Job creation, and discounted electricity were both most commonly placed as the most important potential benefit. Looking at the mean across all scores, job creation came first, followed by opportunities for re-skilling and training for jobs, closely followed by discounted electricity.

Other comments were:

"A bias for local companies to be given the opportunity to do work and develop products and services into this sector"

"A complete change in the power structure that controlled the project. "

"Absolutely none. The jobs etc are laughable compared with the destruction these things cause both environmentally and visually."

"Accountability and transparency (unlike West Cumbria Coal!!) and educating the community about sustainability"

"All good ideas but will they actually happen?"

"All important points"

"All of the above as well as increasing Cumbria's efforts towards sustainable energy"

"Am interested in potentially investing in this wonderful project, to give back to the area and contribute in a way that will truly make a difference"

"Anything that can reduce costs of living is good at moment"

"Attracting new industry to Cumbria to make use of clean energy."

"Be nice if reduced bills not sure if it will"

"Both cheaper electric and jobs would be ideal but I will believe it when I see it"

"Can't see reduced prices or jobs"

"Cheaper bills would be good"

"Contributing to Cumbria's net zero by 2037 target"

"Could create jobs but doesn't mean for local people"

"Definitely need more jobs not sure they will happen"

"Doesn't believe electricity would be discounted"

"Don't believe it will create jobs. We're always being told that"

"Doubt discounted electricity will happen"

"Energy security"

"Enhanced contribution to increase in renewable energy and also potential for increasing energy storage for days with less solar/wind power"

"Environmental benefits. Possible habitat creation below the turbines."

"Free electricity"

"Has been many previous schemes promising jobs so would need to see if they materialise"

"I am equally concerned about the local impact e.g. traffic on A595 where it looks like the suggestion that lorries may be needed on a large scale to transport liquid hydrogen frequently. If so, what other alternatives have been considered? "

"I can see no benefit in siting turbines in Solway Firth. "

"I don't want it so there is no benefit"

"If it stops more onshore wind farms then I'm in favour as they are much worse visually!"

"If they do create jobs that would be most important"

"It won't bring any jobs to the area."

"It won't bring any jobs"

"It won't bring any jobs"

"It's a scam"

"Local boats should offered work regarding the windfarm, if we are losing fishing ground we need to have access to work such as guard duty. Not just a big company come in and take all the work"

"Local energy security"

"Local funding would be good but cheaper electricity would be better"

"Move power to people, away from profit-making companies. Let ordinary people see the benefit of climate action"

"No more wind turbines"

"Not convinced jobs will be created but would be good plan for west Cumbria future"

"No mention of fishing grounds it will destroy and jobs and communities"

"Project to be a pilot/case study for the environmental impacts of Wind Farms, and how these can be mitigated etc. Clean energy is important but the natural environment shouldn't be negatively impacted by it"

"Pie in the sky all of them."

"Prefer the landscape!"

"Profit back into community but not like the sponsor/hush money/greenwash type money that we get from Sellafield, United Utility etc now - I'd like to see money back into a proper community upgrade!"

"Project to be a pilot/case study for the environmental impacts of Wind Farms, and how these can be mitigated etc. Clean energy is important but the natural environment shouldn't be negatively impacted by it"

"Reduced use of fossil fuels"

"Reducing fossil fuel usage and carbon emissions"

"Renewable energy"

"Satisfying UN Sustainable Development Goal 7 - Affordable and Clean Energy, 11 - Sustainable Cities and Communities,"

"Shouldn't be destroying our AONB for this nonsense"

"The country will benefit. West Cumbria not that much"

"Upskilling people from lower paid jobs into more sustainable jobs rather than just reskilling those in nuclear sector"

"We need more jobs"

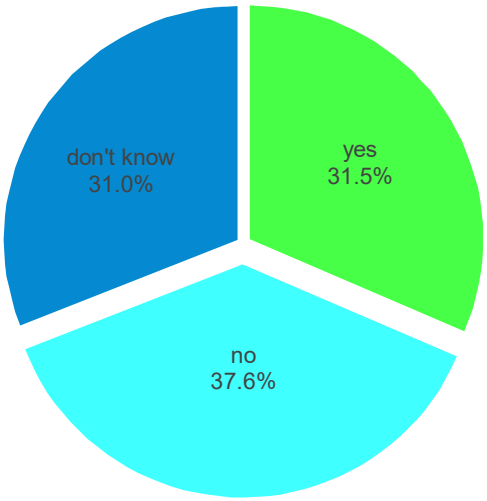
"Well paid long term careers"

"Will help UK to meets its CO2 reduction targets"

Investment

People were asked if they personally would consider investing in a community-owned offshore wind farm like Project Collette.

32% said yes, 38% said no, and 31% weren't sure.



Younger people were more likely to consider investing than older people – 37% of those aged under 50 said yes, whereas over half (51%) of those aged 70+ said no.

People living elsewhere in Cumbria were more likely to consider investing than those loving on/near the West Coast (although note sample sizes).

Consider Investment	On/Near West Coast	Elsewhere in Cumbria	Outside of Cumbria
yes	24.5%	72.5%	42.9%
no	40.9%	13.0%	40.0%
don't know	34.5%	14.5%	17.1%
Base	**469**	**69**	**35**

People living in Cockermouth were most likely to consider investing, while the oppostie was true for people in Whitehaven and Workington (although note sample sizes).

Consider Investment	Cockermouth	Maryport	St Bees	Whitehaven	Workington
yes	42.5%	22.2%	34.6%	18.4%	16.0%
no	22.5%	42.0%	30.8%	53.4%	47.9%
don't know	35.0%	35.8%	34.6%	28.2%	36.2%
Base	**40**	**81**	**26**	**103**	**94**

They were asked for their reasons and these are shown in appendix two, listed by response type. The main barriers to investment were a lack of interest, a lack of funds, and a need for more information.

Appendix One

Comments

This from four local people at the end of the ITV news piece on 7th August:

"If they are viable and they are producing good and they keep prices down, then I have absolutely no problem with them. Ideally we would have nothing out in the sea, nothing in the mountains, but it doesn't work that way."

"I would miss the view, because I think it's a gorgeous view round here, but I do see the necessity of a wind farm and the benefits that that brings. So anything for green energy, I'm all for that."

"I think it's fantastic. Positive, yes definitely, provides jobs and its good for the environment as well"

"If you look at that one that's out there now, it was put there because the ground is actually shallow enough and shipping couldn't get there. So where they're going to put it down there - they got it down in Morecambe Bay - so they haven't got a great lot of area to put it here - for a million homes - it would be nice to think of everybody, but I doubt it."

From the survey:

"Affordable offers please and for the younger generation"

"Already have them. To what extent will it look bad"

"Also for people to use less electricity"

"Always wondered why foreign companies own our wind farms"

"An expensive non-solution to a non-problem."

"Area of Outstanding natural beauty. Sunsets best in world. SSI and HPMA. Tourism affected by eyesore."

"As a professional diver and sea farer I would be interested to see how the wind farm is constructed and then maintained."

"As long as it doesn't significantly negatively impact wildlife long term"

"At my age I don't care"

"Cheap electricity would be good"

"Cheaper electric?"

"Concerned about the visual impact"

"Concerns over the impact to the marine environment including, noise, the barrier effect, cabling issues etc."

"Construction could cause major problems with the local environment"

"Community owned is a great idea"

"Depends on location"

"Depends where it goes"

"Depends where it is located and impact of construction on local area wouldn't really like it being built in front of my house"

"Don't believe in climate change"

"Don't believe in community owned for example the coop"

"Don't live in the area"

"Don't really like the look of them offshore and the lights"

"Don't really understand it"

"Don't want them on land"

"Fisherman always get pushed off traditional fishing grounds."

"For too long, most renewable energy has been out of the hands of the poorer Cumbrian communities. Project Collette could send well-needed funding to West Coast communities and help to readdress the balance."

"Get rid of constraint payments and use really green energy, not wind turbines"

"Glad it's offshore as don't like all onshore turbines locally"

"Good idea"

"Good if it's as good as you say but we get false promises in this area"

"Having seen the boats travelling to Robin Rigg every day, to maintain the wind farm, shore up the foundations etc. the amount of fuel that is used on these vessels should definitely be considered as part of the process, The current wind farm is always breaking down and needs constant attention,"

"Having worked on all offshore wind farms in Cumbria I strongly agree that the windfarm should get the green light to go ahead it will bring more work to the area and help get to green energy targets the UK needing to meet."

"Highly protected marine areas around here, how will they be affected?"

"Hopefully good for young people's future prospects"

"How can you not support it?"

"How do you dispose of the wind turbines and what is their life cycle"

"I am interested in potentially investing in this wonderful project, to give back to the area and contribute in a way that will truly make a difference"

"I don't care but suppose I should consider next generation"

"I don't like 'em"

"I don't mind where they put windfarms, they're important"

"I have a small investment in community owned renewable generation in Bristol & Oxford, and often wondered why there were no initiatives locally"

"I have been a member of Energy4all since it's first project, Baywind, and invested in many more since then"

"I live on the north coast of Solway Firth where Robin Rigg is visible. I support the proposal but feel that the consultation and community benefits should extend to all communities adjacent and visible to the windfarm. I presume this would include the north Solway Firth coastline"

"I need to understand more about it"

"I should like to see the windfarms on the land not the sea"

"I support more power generation via turbines but question whether community owned means that the man you walk past in the street owns some of it, or whether it's just going to be owned by large scale investors like everything else."

"I support off-shore proposals but am totally against on-shore proposals that seek to re-purpose good agricultural land away from food production."

"I support the mines"

"I would support a truly "community -owned' wind farm but this phrase is being used in a very vague and misleading way. "Green finance" is a way of greenwashing a financial system that is responsible for many of the problems we are facing and needs to be challenged rather than accepted as the only way forward. True community ownership would hand full control of production and distribution over to a 'board' of true community representatives, not private businesses."

"I'm more for the wind farm at sea then on land"

"Ideally within a maritime protection area."

"I think that this is an excellent proposal and have already spoken about it in our local parish magazine, "Contact""

"I would want assurance that it will really be community owned and not put in place by a non British corporation, for them to keep the profits from."

"I'd want to know more about the pros and cons, in particular the impact on tourism"

"Impossible to say if I could support it until information on where and how large is available."

"It all depends on where it is. We already have huge visual impact from these."

"It needs to be clear where the farm is located, exactly what the benefits to locals will be regarding discounts or monies invested into the community. In addition use of local labour, retraining or investing in education to improve local people's prospects, not using external contractors."

"It would be good to see local authority pension funds backing these investments"

"It's a scam"

"It's got to come from somewhere so why not"

"It's the way forward"

"I've had a quick read of the report and the worries I'd have are the market for hydrogen, the ability to train enough workers & the ROI for citizens investing in the project."

"Look at what the "scour" from Robin Rig has done to Silloth. The sand has fully encroached upon the upper Solway"

"More nuclear investment would make sense with workforce already here"

"More solar too"

"My preference would be to build SMR's you say it is green but with a 30yr lifespan there is no disposal route other than burial of non-biodegradable material, this does not take into account the distribution or storage of power as there is no infrastructure to support."

"Natural England is relevant Statutory Nature Conservation Body for English territorial waters (0-12nm) and by way of delegation from the Joint Nature Conservation Committee (JNCC), all offshore wind farm projects in English waters to 200nm. Natural England have produced a series of documents providing best practice advice on the use of data and evidence to support offshore wind farm development in English waters. Whilst we understand this project is at a very early stage, this advice may be of use to you when considering the potential environmental effects of your proposal. The advice is hosted at https://defra.sharepoint.com/sites/WorkDelivery2512/SitePages/Home.aspx, please email NEOffshoreWindStrategicSolutions@naturalengland.org.uk to ask for access."

"Need more information. Size, location, impact on hpma, cetaceans, migrating birds, how communities buy in, how they benefit"

"Need more job opportunities round here"

"Need to see map of proposed location"

"Needs to be sited carefully as Cumbria's West coast is a sensitive habitat"

"New government always promises us things that never happen"

"Nice idea"

"No axe to grind with them but we were promised community benefits with last one and didn't get them"

"Not sure we need any more"

"Not sure. The effect on the wildlife and bird life is of concern. There has been a huge reduction and I don't know if this is because of all the windmills. It's sad to see their migration routes disturbed but agree with the reasons. It's a balance. I hate seeing the windmills, I'm devastated about the drop in all wildlife around the coast. But agree we need them. I am very conflicted."

"Offshore wind farms are, because of the materials involved in their construction, highly toxic to the environment, they alter tidal flow, alter the seabed and are a hazard to shipping as well as limiting areas that can be worked by commercial fishermen"

"Offshore yes"

"Ok offshore"

"Only if it brought more jobs to the area"

"Other sustainable energy capture with a linger lifespan should be prioritised first"

"Our coast is beautiful with stunning sunsets…tourism important..ugly turbines not acceptable at all."

"Our house overlooks the harbour with views out to sea. Whilst this will ruin the view, it is still necessary to achieve reduction in impact of climate change"

"Should be new nuclear it's cleaner and smaller now"

"So far I have received no details of the proposed wind farm. The environmental effect of manufacturing the equipment, its installation as well as the affect upon the World Heritage Site of the Lake District needs to be taken into account with any project."

"So far I have only been able to read and consider part of the Green finance report. I am told I cannot get a paper version, which for such a long document is frustrating. I will feel better informed once I have read all this, I hope to attend a public meeting. My comments in the rest of the survey all come with that proviso."

"Sounds good, but doubt it'll happen"

"Sounds interesting"

"Sounds like a good idea"

"Sounds like a good idea"

"Sounds like a nice idea"

"Sounds very interesting"

"Strongly support if actually community owned and run. But I don't believe Collette will be. I believe it is mostly for profit. False marketing like that does a lot of damage and stops people trusting climate action/ emission reduction"

"Subject to impact on marine habitat"

"Support any new wind farms"

"Support as long as there is no risk to marine life in the area"

"Support depending on details"

"Support is dependant upon the 'community' including the local population rather than the London financial markets 'community'"

"Support offshore over onshore"

"Support offshore wind farms"

"Support renewables but wind farms can only supply intermittently and are an eyesore."

"The community ownership must actually be genuine"

"The concept of profits remaining in the community and being put to further social impact opportunities is very appealing. A bias for local communities"

"The hundreds of jobs I don't think so I would like to know for how long and are the turbines and infrastructure to be manufactured in Cumbria."

"The sea around our coastline has for too many years been sold to projects like this with very little consideration to the fishermen and recreational boats that operate from the harbours along the coastline. The noise and disturbance Robin Rigg generated to Maryport and Workington during the piling stages was unprecedented and went ahead despite a campaign from locals to whom live on the sea front. Further developments within the Solway firth will destroy its views and what its very much known for. We should be looking at building offshore wind farms west of Ireland and out of public view rather than taking up vital inshore views, fishing areas and people's livelihoods."

"There is not enough space to express my views here. I do not want a wind farm to spike our wonderful Solway anymore."

"They look awful and ruin sailing for yachts and make navigation more difficult. Their visual impact is appalling!"

"They're a good idea, but only offshore"

"Think the existing farms are coming to end of their life so we need new ones"

"Thinks nuclear should be renewed with new reactors"

"This is a great idea, practically it might need some private investment - but partial ownership of the community is a very achievable goal."

"This would be a longer term project than the proposed coal mine as coal is phased out of the energy mix so this will provide more secure, long term, quality jobs to the area"

"This would be a realistic alternative for employment and investment in a deprived area currently being tempted to join in with opening a new coal mine near Whitehaven."

"Too many already"

"Very good idea"

"Waste of time as we don't manufacturer them here"

"We already have too many"

"We already produce far more renewable energy than we can use in West Cumbria. Therefore most of this energy will have to be transmitted via new bigger capacity power lines. This needs discussed up front. They won't be going through the National Park, which is far too protected to the detriment of West Cumbria"

"We are already blighted from Walney to Drigg and the Solway Firth"

"We are saturated in this area with turbines, perhaps a barrage in the water to harness tidal energy would be a welcome break from turbines"

"We don't have much choice - generating electricity in an environmentally friendly manner is critical to our survival. We need it in our town - being a NIMBY won't help solve the biggest threat to humanity's survival."

"We have already invested in a wind farm through Ripple"

"We have great uninterrupted views of the Isle of Man. I think the sea scape is very important to consider"

"We have too many"

"We seem to get everything up here though, why don't they put them in the south?"

"We were told in Maryport that we wouldn't be able to see the ones offshore of Maryport. But it sticks out like a sore thumb."

"West Cumbria has MORE then their fair share already!"

"We've got too many"

"What consideration if any is being given to Scottish side of the Solway that will have to look onto this proposed development?"

"When last windfarm was built we were promised benefits for Maryport and cheaper electricity but didn't get them"

"While I am not a fan of wind farms, I recognise the need for alternative energy sources during the transition and development of cleaner energy sources and Net Zero. More local skilled jobs is also beneficial to the community."

"Why are you not looking at tidal power?"

"Why not. Sounds good"

"Widespread share ownership"

"Wind power is essential for the UK and the world. Too often it is owned by unaccountable bodies - not just large corporations but by foreign-state-owned firms. This project puts ownership in the hands of the British public where it belongs"

"Wind turbines can damage marine life"

"Without knowing about the financial aspect of funding the project, concerns about the financial risk."

"Won't be able to afford it"

"Worry about impact on coastline"

"Would definitely need to know more"

"Would depend on impact to local area and environment"

"Would like more information"

"Would need a credible national plan that balances climate concerns with the negative economic impacts"

"Would need more details but it sounds good"

"Would need to know more"

"Why don't people who aren't from west Cumbria stop telling us west Cumbrians what we want? Take it elsewhere."

"Why not invest in tidal barrier schemes as was once discussed, they don't need to be switched off when the wind blows strong, or invest in nuclear"

"You have not given any insight into how a community windfarm will work. An offshore development will be over £1b. How does a West Cumbria community raise that sort of capital?"

Appendix Two

Reasons for saying 'yes' to considering personal investment in a community-owned offshore wind farm like Project Collette

Already invested in Ripple Energy and would support other such initiatives

Anything that creates jobs is good for the area. No fishing anymore and we need new industry

As long as my money is safe I'd consider it

As long as your EYA is good then we should see 10 years+ of profitability from the site. I hope I'll be one of our Lidars out there measuring the wind speeds 😉 (ZX Lidars)

As part of drive to encourage local involvement

Because I have seen what E4A has achieved for the past 25+ years and am sure the community will benefit

Because it is something I support and strongly agree with, depending on the cost being affordable to the average local people.

Been looking for green power investment opportunities

But... depends on minimum level input versus return. Pensions don't stretch far these days, especially now our winter fuel payment has been removed!

Democratic ownership of large renewables avoid corporate capture of the profits and supports community wealth building.

Depending on the cost and the benefits but yes would consider it

Depending on what it costs I would be interested. Sounds like a good thing for Cumbria

Depends on the cost and when it happens

Ethical local investment opportunity.

For public good

Good for the environment, make money

Good long-term returns (for my children if not me)

Good opportunity

Greater good

Green jobs

Have already invested in our solar panels. Decided that the ROI on a hydro project is too poor, and been turned down for a wind turbine. This looks like a good way of engaging with wind energy.

Hopefully to secure our energy price

I already have a Ripple wind investment

I am interested in investing in local projects that benefit the local community.

I am interested in potentially investing in this wonderful project, to give back to the area and contribute in a way that will truly make a difference

I am trying to decarbonise my personal energy use, and also ensure my money is invested in climate friendly ways.

I don't currently invest except through a pension, but this might be something I would consider - not to make money but to support the initiative.

I don't have much money to invest, but I'd like to be involved as think it's important.

I have 3 week old baby and thinking about the future of planet is good for her

I have already invested in a community owned onshore wind farm in Cumbria

I like my investments to be ethical

I like to support local businesses and community projects

I look for responsible and environmentally sound ways to invest

I support the concept of CICs and am a supported of renewable energy generation, in the right place, but the devil would be in the detail!

I support the concept of offshore energy creation and this will add to Cumbria's contribution to Net Zero even further

I support wind power

I think it would be good if Collette could offer a kind of debenture, that could be gifted down to sons, daughters, grandchildren, as its the 60 year olds who have the money to invest, but won't be around to see the fruits of their investment, so being able to (tax free) give to the younger generation would be really beneficial

I think it's a good idea, I have young children and could be good for their future

I think it's a great idea and I'd like to be part of making it a success

I think it's a great idea and if I had money to invest would seriously consider it

I think renewable energy is the future but communities should have some say in the usage of their local natural resources

I think that any help towards sustainable energy and reducing climate change is a plus for the country and area after all we have a lot of wind in Cumberland

I think we must make significant changes in society due the sake of the next generations and people across the world who are more vulnerable than us in the UK

I want my capital to be usefully employed.

I want to invest in our future

I want to put money into something I believe is doing good

I want to support renewable energy generation. Also I don't want my savings and investments to contribute to climate change

I would invest to make a demonstrable profit. Publicly showing a fiscal success would create an appetite for more similar projects

I would like to see investment opportunity for locals

I'm already investing in onshore wind and solar via Ripple energy and would like to continue this with Collette.

I'm West Cumbrian

I'd like to support the project to succeed, and help achieve the benefits for the local area and personally.

If I benefit from it then yes I'd be interested as long as it's definitely offshore

If I could afford it. Would be good to benefit the area and take responsibility for the planet

If I have money available, it seems like a good way to use it for good.

If it gives us cheap electricity and provides jobs why not

If it means cheaper energy I'd consider it

If it was a wise investment, why not?

If it's something that I care about, I believe in putting my money where my mouth is!

If price not too high

If structured correctly, this should be a win for the investor, the local community and the environment.

If the promised benefits are guaranteed I would

I'm lucky to be financially comfortable & would be interested in investing in a project that delivers for the local community where I live.

Impossible for normal people to invest in, this is the only way to do it.

Investing locally is important

Investing locally is important

Investment in a genuinely sustainable future locally which to be successful will need to be powered increasingly by renewable energy

Investment in energy seems like a smart bet if one was given the opportunity.

It can only be a good thing for the area. I've already read about it online

It could benefit the community if it generates enough income

It feels like I would get both a return and a satisfaction that my investment was making a difference to our local community

It is essential that we invest in new green technology - wind is the future - the best way to get people on board with this is to involve them directly so they can see how it will impact them.

It is exciting and could be good for the county

It is the most important issue facing the planet.

It sounds a good idea, could be a sensible investment depending on the details

It would be great to be part of the solution!

it would feel like I was doing something tangible

It's a project I would like to support.

It's an ethical investment

It's an important issue

It's important to put your money where your mouth is

I've been thinking about becoming an investor and would only want to do that ethically and with no links to the planets destruction

I've previously invested in Ripple Energy's community-owned renewable energy offerings

keep things local

Like the idea of it, will look out for more details

Like the sound of it

Makes sense to bring green energy into local ownership
Might be a good investment for the future
Need for climate control and empower local communities
Need more information
Need people to get behind this, seems like a good way forward
Only if bills are going to be cheaper
Part of a wider portfolio and supports the local economy
Possibly if was near where I live in North Wales
Putting money where my mouth is!
Return on investment and to support job creation.
Seems like a great idea and good for environment
seems suitable renewable energy
Seen successful small on shore projects in Scotland which have put a lot back into the community.
Sense of ownership, sense of being part of something 'big'
Sense of ownership, sense of being part of something 'big'
Something new and good place to put money and benefit area
something to give to my grandchildren.
Sounds exciting/I saw something about it on TV and discussed it with family
Sounds like a good opportunity if it benefits the country and ordinary people
Sounds like a good opportunity, will look at the website
Strong supporter of social and co-operative ownership
Take part in transition
The future
The town needs something like this to provide more jobs
They currently make lots of money for foreign firms
This is an enormously exciting and ambitious project put together by the team who pioneered community wind in the UK
To contribute to decarbonisation
To do my bit to combat climate change
To ensure the windfarm is serving the needs of Cumbria
To have a small stake in a worthwhile project.
To have a stake in making a difference. To keep investment and returns local to the community impacted by the project
To keep energy local
To make some money hopefully that's why people invest usually
Town needs investment
Want to invest in things that contribute to Net zero
We have solar panels at home. I think my boyfriend would be very interested in this. We have a baby and need to save the planet for future generations
We need more green energy. I'd rather be part of the solution.
Why not?
Wind power is our future
Would be great to get reduced electricity
Would be interested to know more about it

Would benefit the town and be good to have a say in how things are done
Would consider
Would have done before but no local project. Hopefully new government will make this possible
Would like to get cheaper electricity
Would like to see more of the profits delivered to local communities rather than large power companies and their shareholders who may have little or no connection to us.
Would need to know more details but can't see why not
Yes I maybe consider this if it sound investment
Yes if I can afford it and benefit from it in the future

Reasons for saying 'no' to considering personal investment in a community-owned offshore wind farm like Project Collette

Absolute waste of money. Intermittent wind makes turbines unreliable.
Because Cumbria doesn't need the electricity. Put it down southeast where needed
Because I care about the landscape and wildlife
Because I like birds living and not being killed by these monstrosities
Because of harm to local businesses and jobs
Because people around here don't have any money. More jobs are needed though
Because they just want our money
Cannot afford to
Can't afford
Can't afford it
Can't afford It
Can't afford to
Can't afford to
Can't afford to
Can't afford to
Can't afford to risk my money
Commercial fisherman, wind farms take away too much fishing grounds as at is.
Cost
Cost of living means I have little disposable income
Couldn't afford to and government should be paying for it
Couldn't afford to but would be good if offers new job opportunities to local young people
Couldn't afford to invest
Doesn't make sense to invest if no direct benefit to local area. Can't believe prices will come down
Doesn't think community should pay for it
Don't believe anything will change it we'll get cheaper electricity
Don't believe the scheme will get off the ground
Don't have spare money
Don't have the funds to invest
Don't know enough about it
Don't know enough about it

Don't think I could afford it

Don't think many people round here could afford it

Don't understand it

Don't understand it fully

Don't want another monstrosity to look at

Don't want to be Governed by shareholders

Good idea but no money

Government should be paying

Hate them

Hate wind farms

Have enough to pay for

how much will it cost to strengthen in a couple of years when foundations move with the sea bed Like Robin Rigg Had to be

I already have all my investments in place

I am too old but my grandchildren may do in the future if it was worthwhile

I can't afford any investments but in favour of it

I care about the fish

I couldn't afford to but my grandchildren might

I do not agree with yet another wind farm on the Cumbrian coast with the excuse of climate change and hundreds of jobs which will not happen

I do not have enough income to invest in anything.

I do not want any more in Cumbria. Enough is enough.

I don't agree with despoiling beautiful Cumbria to achieve a target of government creation.

I don't need the money

I don't believe wind farms are the best choice relative to the impact they have on the marine environment, wild birds and the amount of materials needed to build them.

I don't have the spare money

I don't live at coast, don't know if it would affect me

I don't live close by

I don't live in the area

I don't live in the area

I don't live in the area but approve of the idea

I don't think it's the right way to go.

I have zero cash.

I live in Birmingham so know nothing about it

I live in cockermouth and wouldn't get involved with something not close to me

I live in Scotland

I will be too old by time it is completed

If I was younger but I'll pass details to family

I'm a bit old to take risks with things like that

I'm too old but I think it's a good idea as we must tackle this issue

I'm too old to benefit from it

I'm too old, almost 80 but it is a good idea

I'm too poor

I'm too young but maybe in the future

It all seems too fanciful the only way to solve the issues for sustainable and independent supply of power is nuclear because we have made the rash and in my opinion a real unfortunate decision not to continue with fossil base fuel which we have an abundance of.

It is not something I could realistically afford to do

It won't work can't see cheaper bills and wonder if jobs would even go to local people

It's a scam

It's aimed at younger people. I will tell my son about it though

I've got no money

I've got no money

Just not for me, wouldn't know enough about it

Lack of funds

I'm unemployed got no money

Low income

Maybe in the future if I can afford to

Might be a risky investment, can't afford to lose money

Might be too risky

Money might be an issue.

Money?

Need a job first

Need to know more

Net zero is pie in the sky that will bankrupt this country.

No benefit to me

No disposable income

No interest

No interest

No money

No money

No money spare

No spare funds

No spare money

No spare money

No spare money

Not convinced it is the right thing to do, expensive to build

Not earning enough

Not for me

Not for me but might be good for younger people if it helps supply cheaper electricity

Not for people like me

Not interested

Not interested

Not interested

Not interstellar

Not local

Not local

Not local
Not my community
Not sure how it would benefit me
not the best use of resources
Not thought about it
not viable, nuclear is needed
Not worth it as it won't happen in my lifetime
Nuclear is a far better option
People are opposed to the wind farms here already
Poor business plan
See above
Should be locals and directly benefit those that are impacted by work and views
Should be paid via taxes anyway
Sounds risky
Taking fishing ground
The destruction of the seascape is not worth the limited benefits
The ROI is not worth it
They are an evil abomination to the environment
Too costly
Too long to generate returns
Too old
Too old
Too old
Too old
Too old
Too old
Too old!
Totally opposed to despoiling of area. Consider it an environmental crime perpetrated by those who trumpet environmental concern.
Wasn't on my list of investments can't see a reason to
We don't have spare savings
We don't own national grid so wouldn't make electricity cheaper, why not put them down south
We have enough of them, they don't look nice
We've got enough windfarms, don't need more. Definitely wouldn't invest
Will cost too much/nothing in it for me
Will probably cost a lot of money
Won't happen in my lifetime
Would prefer tidal turbines.
Wouldn't be able to afford it
Wouldn't be something I would do
Wouldn't understand enough about it
Wouldn't understand it

Reasons for saying 'don't know' to considering personal investment in a community-owned offshore wind farm like Project Collette

As long as there's no risk I might
Can't afford it
Can't afford it
Can't afford to
Cost?
Costs and details
Depending on details
Depends on cost
Depends on costs
Depends on costs but sounds exciting if it does bring benefits
Depends on expected return on investment. CfD strike price.
Depends on how much investment
Depends on minimum investment and whether I believe it is community owned and whether I like the way the community benefit money gets decided on
Depends on the cost and benefits
Depends on the details
Depends what is involved
Depends what it would involve
depends what the benefits are and if I could afford to invest
Depends what's involved
Depends what's involved
Don't have a lot of savings but may be interested after receiving more detailed information.
Don't have large amounts of money, depends on costs
Don't know enough about it but maybe in future
Don't know enough about it but probably couldn't afford it
don't know enough information
Don't think can afford
Don't think could afford
Don't think it's for people like me. I couldn't afford it
Don't understand what it means
Doubt I could afford to as I can't even afford to save now
How does this link with Labours Great British Energy
I don't have savings so couldn't afford to
I don't have the money but maybe in future
I don't know enough about it.
I have no money!
I have not been able to read the full proposal yet.
I may be too old
I might be a bit old but interesting for the next generation
I might prefer to invest in something more local

I would like to see the actual plans first

I would need much more information

I would need to do some more research and find out further information as what that would entail and mean for me personally.

I would need to know more specific details about potential benefits and risks.

I would need to know where the wind farms are placed and how many of them

I would want more details/information

I would wish to understand the level of return on my investment and how that benefit is delivered i.e. is it a share dividend, reduced cost of electricity or some other more altruistic benefit

I'd have to think further

I'm not sure that the location you are looking at is suitable

I'd want to be sure you're genuine.

If finance or monthly payments available might be interested

I'm a bit too old

I'm a bit too old but support in principle

Insufficient information. Even reading the main site information gives the impression that this project has not been sufficiently or robustly conceived.

Investment?

It depends on costs.

It depends on how much to invest and how much my local community would benefit.

It would depend on the return on the investment

Local people have to look at them every day but their bills don't reduce

May consider it once more is known as about it. I've heard of this in other countries so case studies would be useful

May do if the community get behind it

Maybe once I have more details

Maybe when I get a job

Maybe?

Might be interested depending on details

Money

Money might be an issue

More detail about risk, payback and length of payback is needed.

More details

More details about costs commitment and returns

More info

More info

Need !ore information

Need far more information.

Need information

Need more details

Need more details but like the idea. Will look at website and look out for more details

Need more info

need to know more

Need to know more about it

Need to know more about it first

Need to know more. Needs to be an advantage financially to invest and don't know enough.

Need to understand more about it

Not enough info

Not likely to have any available capital

Not sure about available funds or the returns

Not sure if I would have the funds to do so.

Not sure of the benefits

not sure what sort of investment would be needed?

People around here are too poor/no money to invest

Possibly if it was a good investment, would like information to be sent to homes in the area with more details

Possibly once it's up and running

Strange concept

The area is desperate for new jobs so thinking ahead it sounds good

Uncertain about potential level of return on investment, when i don't have a lot of spare cash to invest

we already pay our taxes which are often used by the current financial system to cover risks and protect private business interests. Private business should be allowed to make a small profit but not have control. Green finance is just greenwashing and not a serious attempt to change the system for the greater good.

What are the benefits to me personally

What is cost?

What is minimum amount individuals can invest, what % of profits would that buy? When would dividends be generated? Currently great idea but insufficient hard detail

What the commitment might be

Would be good if it happens but doubt we'll ever get cheaper electricity

Would decide if and when it happens

Would depend on costs

Would like to find out more of what it entails

Would need more information

Would need more information

Would need more information

Would need to discuss with people first, depends what's in it for me

Would need to know how much and what we gain from it

Would need to know more about it. I'm not free to attend event but will look at website

Would need to know more detail, and timing of investment ie pre final design, pre application, pre construction or on energization?

Would need to know what it will cost and what id get out of it

Would need to wait and see what happens with it

Would think about it

Would think about it

Wouldn't rule it out yet

Wouldn't rule it out, if it is backed by the communities

Yes possibly but need more details