



Feasibility Study: Tafarn Cymunedol Dyffryn Aeron Cyf.

prepared for
Ceredigion County Council
by commission of
Cynnal y Cardi

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IAITH Cyf.

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1.0 Introduction

1.1 The Requirements

IAITH Cyf. was invited by Ceredigion County Council, through the auspices of the Cynnal y Cardi Local Action Group to carry out a feasibility study which would assist local organisations and communities to scope the possibilities of utilising their facilities and premises in order to strengthen the social infrastructure of their local area. The work was funded through the Welsh Government's Rural Communities' Wales Rural Development Programme 2014-2020, which is funded by the Welsh Government and the European Union.

The work was offered to IAITH based on two work packages. The first package focused on the development needs of Tafarn Dyffryn Aeron Cyf., a community interest company which is in the process of trying to buy and develop the *Vale of Aeron* pub in Ystrad Aeron as a community pub. The second package focused on gathering background information about local resources and facilities that could be of benefit to a cluster of Church in Wales churches in the Aeron Valley as the vicar and his parishioners plan strategically for the future.

Following a conversation with one of the Council officers and with representatives of Tafarn y Dyffryn on 24 February 2022, in relation to Tafarn Dyffryn Aeron Cyf., the following requirements were identified as priority tasks based on the original brief that had been distributed.

- To investigate potential grant sources together with the necessary background information required by relevant grant sources.
- To prepare suitable information for inclusion in grant applications, including:
 - drawing up a summary of the developments so far in relation to Tafarn y Dyffryn,
 - drawing up a profile of current community resources in Dyffryn Aeron,
 - collecting the views of stakeholders (investors, partner organisations and the local population) regarding the potential use the community could make of the pub.
- To conduct two short case studies in order to learn lessons from the experiences of other similar groups.
- To evaluate the current business plan in light of the above exercises, suggesting possible improvements in terms of vision and activities.

The consultant was asked to present the findings resulting from the above exercises in a concise report in both Welsh and English.

In relation to the second work package which dealt with identifying the potential of Church in Wales premises and facilities in the Aeron Valley, it was assumed that the profile of local resources produced in work package 1 (above) would be also suitable for that purpose.

It was decided not to hold an open public exercise to try to gather opinions on the potential of the pastorate buildings at the same time as the survey regarding the Dyffryn Aeron tavern as it would likely disrupt the consultative exercises in work package 1. It was agreed that such work should be postponed in order to avoid creating confusion among the target audience. Therefore, this report focuses on work package 1 and the development needs of Tafarn Dyffryn Aeron Cyf.

1.2 The Information Base

To collect the information base for this report the following research exercises were carried out:

- Desk research which included studying the following documents:
 - Tafarn Dyffryn Aeron Cyf.'s Business Plan. (2021).
 - Tafarn Dyffryn Aeron Cyf.'s share prospectus (2021).
 - Tafarn Dyffryn Aeron Cyf.'s financial management documentation. – historical and current.
 - The Tafarn y Dyffryn Initiative Questionnaire (2001).
 - Minutes of consultative meetings and various internal papers shared by the initiative.
- Attendance at two meetings of the initiative's development sub-committee.
- Attendance at a consultative public meeting on the prospective plans.
- Desktop research into the conditions and requirements of a significant number of relevant grant funds, together with telephone conversations with key officers.
- Desktop research and a physical survey of Dyffryn Aeron's community buildings and facilities, together with telephone conversations with key individuals.
- Telephone/Zoom interviews with representatives (2) of Gwesty Pengwern, Llan Ffestiniog, and the Tafarn y Plu initiative, Llanystumdwy, together with desktop research of their websites and supplementary background documentation that was shared with the research team.
- Attendance at an on-line seminar held by the Community Ownership Fund, United Kingdom Government (UK).
- Informal conversations with representatives of the initiative and attendance at monitoring meetings with Cynnal y Cardi.

1.3 Content of the Report

The above research is presented in this report in accordance with the expected product identified in our proposal and agreed upon at the project induction meeting, namely:

- a summary of the developments so far in relation to Tafarn y Dyffryn for inclusion in grant applications;
- a report identifying potential grant sources relevant to the initiative, together with the necessary background information requested by relevant grant sources;
- a profile of Dyffryn Aeron's current community resources in regard to buildings and facilities, again for inclusion in grant applications;
- a report based on a survey carried out among stakeholders (investors, partnership organisations and the local population) regarding the possible use the community could make of the pub;

- two short case studies in order to learn lessons from the experiences of other similar groups;
- an evaluation of the current business plan in the light of the above exercises, suggesting possible improvements in terms of vision and activities;
- recommendations based on the collected evidence.

Drafts of the above chapters were shared with the initiative's representatives during the research period so that the individual texts could be of practical and immediate use to the Directors as they prepared applications for financial support.

2.0 Tafarn y Dyffryn: the journey so far

Tafarn Dyffryn Aeron (*Vale of Aeron*) has been a prominent and important feature of the Ystrad Aeron and Felin-fach neighbourhood for over 150 years.¹ It is located on the main road (A482) between Aberaeron and Lampeter, facing the junction with the B4342 to the south towards Dihewyd. The central location of Ystrad Aeron and Felin-fach on the valley's plain has meant that the neighbourhood has been key to the economic, social and cultural prosperity of the valley and the surrounding areas throughout the ages.

In recent years the pub has been owned by Rowland and Daphne Evans, who ran the pub successfully for a number of years. When the family retired from running the pub the 'Vale' was put up for sale and, more recently, leased. The lease expired during the recent lock-down periods and the pub closed its doors in October 2021.

Concern arose among some of the local residents about the future of the pub as a community asset and a local discussion was initiated regarding its future. A committee of 13 local people was formed during the spring of 2021 to consider the possibility of buying the pub as a community venture. With the help of the Welsh Co-operative Centre Tafarn Cymunedol Dyffryn Aeron Cyf. was registered as a community interest company with the Financial Conduct Authority on 9 August 2021 (registration number: 8698).

A public meeting was held on 25 August when representatives from community organisations in Dyffryn Aeron were invited to come together to Neuadd Felin-fach to discuss possible ideas and to imagine the difference that buying the pub could make to the local community. The response was enthusiastic and constructive. Following the meeting a questionnaire was distributed locally to gather opinions and register interest. There were 82 responses, with the overwhelming majority indicating support for the idea of a community pub and a significant number indicating that they would be prepared to buy shares in the proposed venture. As a result, a series of drop-in meetings were organised in local villages during the first months of the Autumn 2021 with a mobile 'dry' bar used as the focus of the campaign. Sessions were held at Dihewyd, Cribyn, Tal-sarn, Ciliau Aeron, Cilcennin and Felin-fach – where again there was a positive response.

A price was negotiated with the owners and a sum of just under £300,000 was agreed. Having considered setting-up costs and professional fees, a financial target of £330,000 was set by the steering committee to purchase the pub as a community venture and secure its initial commercial foundations.

An opportunity to buy shares at £200 each was launched on 6 November 2021 and a window of 5 weeks was set to reach the goal. There was widespread support from the local people, along with some prominent stars from the world of entertainment. The target was passed by the deadline of 12 December and by the end of the year over 600 shareholders had contributed, which meant that the enterprise had over £380,000 in the coffers.

Throughout the winter months of 2022 the shares were distributed; and plans were made for the opening of the pub, with the willing cooperation of the owners, who agreed to let the building on a short-term lease. However, it was very sad to note the untimely bereavement which befell the Evans family, with the death of Rowland at the beginning of March. His commendable contribution to the life of the valley and his firm support for the community initiative are greatly appreciated.

¹ [Vale of Aeron Ystrad Aeron - a historic pub in Ceredigion - A Pint of History, Please \(pint-of-history.wales\)](https://history.wales.org/vale-of-aeron-ystrad-aeron-a-historic-pub-in-ceredigion-a-pint-of-history-please)

More preparations were made at the end of April, with volunteers cleaning and decorating the pub and being trained in aspects of hospitality and running a bar. The pub was opened in its community guise for the first time on the weekend of 6-8 May 2022. The volunteers continue to open it every week on Thursday, Friday and Saturday nights. A number of different events have been held there and an advertisement has recently been circulated to appoint a full-time manager for the initiative.

In the meantime, business planning is progressing with a survey carried out in order to further consult with the community regarding its needs in relation to the 'Vale'. The committee's current intention is to prepare plans to renovate, upgrade and expand the existing buildings, and to secure various grants to support the proposed work.

3.0 Potential Funding Sources

3.1 Background

The Tafarn y Dyffryn Initiative’s Business Plan (2021) lists the following potential sources, together with amounts that could be expected from them:

- National Lottery Community Fund - £100,000
- Community Facilities Programme, Welsh Government - £150,000
- UK Government Community Ownership Fund - £250,000
- Various small local grants - £20,000

IAITH Cyf. was asked to conduct initial research in order to confirm the situation regarding the above funding sources and to identify other possible funding sources for developing the initiative. This was done by carrying out on-line research, together with conversations with representatives of some of the largest fund-holders. Information was obtained from representative directors of the initiative and the list of sources was verified both by officers of Ceredigion County Council’s Economy and Regeneration Department and an officer of the Ceredigion Association of Voluntary Organisations (CAVO). Eco Dyfi was contacted, the Wales Funding database was researched² (WCVA) and relevant information was also obtained from the Natural Resources Wales general grants newsletter. We list our findings below by source and provide a summary at the end of the section.

A first draft of this chapter was submitted to the attention of the client and representatives of Tafarn y Dyffryn on 18 May 2022 so that they could make funding plans in good time.

3.2 Sources of funding

3.2.1 Community Facilities Programme, Welsh Government

[Community Facilities Programme | GOVERNMENT OF WALES](#)
[Community Facilities Programme: frequently asked questions | GOV. WALES](#)

The Community Facilities Programme is a **capital grant** scheme which is operated by the Welsh Government. Grants are available at two levels; small grants under £25,000 and larger grants of **up to £250,000** in order to physically improve community facilities – be it land or premises.

The grants can be used to improve community facilities that are useful to people in the community, and which are widely used by them. The programme is open to voluntary and community sector organisations, including **social enterprises** such as Social Interest Companies.

The programme focuses on increasing social opportunities locally, ensuring prosperity for all and developing strong communities where people are included and empowered. All applicants are expected to **work with local partners** who can be from the public sector, the private sector or the third sector. Priority is given to applications from areas that were previously part of the Communities First scheme, but applications from other areas are also welcome.

² [Funding Wales \(funding.cymru\)](#)

To apply for the higher grant, up to £250,000, **a two step process must be followed**. The first step is to fill in an 'expression of interest form' which will be assessed by the project officers for suitability. If successful at the first stage, the applicant will be invited to prepare a full application.

The fund is open for **3 years**. The programme is administered as a **rolling programme**, so there is no specific deadline. A Welsh-speaking officer (Lois Hughes) returns to work in July. In the meantime, interested parties can contact either Lisa Clarridge (0300 0628307) or Michael O'Shea (0300 0628612) at the Welsh Government's offices in Merthyr Tydfil.

3.2.2 Community Ownership Fund UK Government

[Community Ownership Fund: prospectus - GOV.UK \(www.gov.uk\)](#)

The Community Ownership Fund is a fund of £150 million (£7.1 million in Wales) which is **open for four years** to support community groups across Wales, England, Scotland and Northern Ireland to assist local groups to take ownership of assets which are at risk of being lost to the community. It is part of a significant package of 'levelling up' interventions across the UK, helping to support recovery, foster opportunities and empower communities to improve their local places.

The fund sees value in local facilities and local ownership of those facilities. The fund considers that community ownership of assets can be a catalyst for bringing people together and helping communities to thrive. The Community Ownership Fund will support local people to save local community assets and amenities that are at risk.

The fund is open to community groups across the UK. Communities applying to the fund should have a strong vision for the long-term future of the asset, its purpose and potential in the life of the community, and a plan for how the asset can thrive under community ownership.

The fund has launched an updated prospectus since 23 May 2022, together with application guidelines and the latest assessment criteria (after learning lessons from a review of the first application cycle). The first application period opened on 6 June 2022 with the closing date on 19 August. This will be the fund's third round, with the intention of administering at least eight rounds during the coming 4 years.

The fund offers three elements – (a) a capital grant to purchase or restore community buildings up to £250,000 should match funding be presented, (b) revenue funding for the payment of professional and technical support fees, and (c) in some cases, funding for up to a year to maintain project support in order to ensure the stability of the development.

As in the case of the previous rounds, applicants must present their case based on the following aspects:

1. Strategic case: applicants should demonstrate that, without intervention, the asset would be lost to the community, the effects this would have and the support they are receiving from the community and other partners.
2. Management case: applicants should demonstrate the objectives and capacity of the project and how the asset or amenity will be run sustainably.
3. The potential to benefit the community: using the outcomes framework, applicants should demonstrate how the asset will deliver community benefits under community ownership.
4. The added value of the community asset based on the need of the community: using local data and information about the need of the community, applicants should be able to demonstrate the added value of the asset or amenity to the community.

An on-line application is made in a two-stage process – an application stage and then a full application. Two attempts can be made to try and ensure a successful application.

3.2.3 Community Fund, The National Lottery Fund

[Homepage | National Lottery Community Fund \(tnlcommunityfund.org.uk\)](https://tnlcommunityfund.org.uk)

[Funding programmes | National Lottery Community Fund \(tnlcommunityfund.org.uk\)](https://tnlcommunityfund.org.uk)

Relevant National Lottery Fund grants in Wales are distributed at 3 levels:

- Awards for All: grants up to £10,000
- People and Places: grants between £10,001 and £100,000
- People and Places (Major Grants): grants between £100,001 and £500,000

The grants are apportioned on a **rolling programme** and there is no specific deadline. Capital and revenue funding or a combination of both can be applied for. People and Places is a one-step application process, while People and Places (Major Grants) is a **two-step process**. People and Places funding is available for projects over a timeframe of up to 5 years. There are also other threads to the fund called 'Supporting Good Ideas'.

The plans all aim to achieve the following:

- support organisations to adapt or diversify to respond to new and future challenges,
- support communities adversely affected by COVID-19, and
- support communities and organisations to become more resilient to help them respond better to future emergencies.

In terms of outcomes and process, what the fund wants to see is how your project stimulates change within the local community and how you have included the community in the planning.

The fund is open to community and voluntary organisations, including Community Interest Companies but – **note** – it does not award grants for initiatives that include **alcohol** in their plans. However, according to the officer questioned, they can consider projects that include members of the community or which extend out into the community where alcohol does not play a part in the activity. It is suggested that it would be prudent to hold a further conversation with a representative of the fund before venturing further.

3.2.4 UK Shared Prosperity Fund, UK Government

This fund of £2.6 billion is an attempt by the UK Government to fill the gaps left by the loss of European Union structural funds. The funding is administered through lead public authorities in conjunction with the devolved governments.

The current planning round was opened on 13 April 2022. Those authorities are currently planning their applications. The window for presenting their plans is open from 30 June until 1 August 2022. The funding period extends from April 2022 until March 2025. Lead authorities are expected to receive the first funding allocation in October 2022.

There are three themes to the plan:

- Communities and Place,

- Supporting Local Businesses and
- People and Skills.

The first two appear to be relevant to the Tafarn y Dyffryn initiative.

The objectives of the 'Communities and Place' thematic threads are:

- *"Strengthening the local social fabric and fostering a sense of pride and belonging, by investing in activities that improve physical, cultural and social connections together with access to amenities, such as community infrastructure and local green spaces, and community-led projects.*
- *Building resilient, healthy and safe neighbourhoods, by investing in quality places where people want to live, work, play and learn, by supporting specific improvements to the physical and natural environment, together with innovative methods of crime prevention".*

Although there is no funding available to the initiative directly from this fund at the moment of writing, it is suggested that the directors of the initiative contact Ceredigion County Council and/or other leading authorities within the region immediately to discuss possibilities to the future.

3.2.5 Social Investment Wales (WCVA)

[Social Investment Wales - WCVA \(wcva.cymru\)](http://wcva.cymru)

Social Investment Wales administers seven different funding programmes which support various aspects of promoting and developing community enterprises in Wales. The basis of the funds is money derived in part from the European Union structural funds and they are administered by the Wales Council for Voluntary Action (WCVA).

Two of the most relevant funds are noted below. However, when contacting one of the fund's officers, it was explained that these programmes end in December 2023. As the set timetable for the plans is a period of 18 months, applications had to be submitted before June 2022.

a) Community Asset Development Fund (WCVA)

[Community Asset Development Fund - WCVA \(wcva.cymru\)](http://wcva.cymru)

The Community Development Fund supports social businesses that want to bring an asset under community ownership by buying it, refurbishing it or improving its facilities. A community pub is listed as an example which is eligible to receive support. The application must show how the investment will create positive change in the community and increase the income of the enterprise.

The fund remains open to organisations in West Wales and the Valleys. A sum of up to £150,000 can be applied for by providing £100,00 of match funding. The support is provided through a grant of 40% and a loan of 60% (with repayments dependent on growth in income). With the fund closing in December 2022, it is suggested that you should contact the fund officers before preparing an application.

b) Social Business Growth Fund

[Social Business Growth Fund - WCVA \(wcva.cymru\)](http://wcva.cymru)

The Social Business Growth Fund (SBGF) has been providing financial support to social businesses in Wales to enable them to grow and create work opportunities. Job creation is the focus.

Like its sister programme, the fund can invest up to £150,000 in community initiatives in West Wales and the Valleys. A minimum of 40% match funding is required in the West and the Valleys which means that the applicant needs to provide up to £100,000 of match funding. The support provided is a combination of grant and repayable support: the more jobs you create above the target the less you need to repay.

Again, with the fund closing in December 2022 it is suggested that potential applicants should contact the fund officers before preparing an application.

3.2.6 People's Postcode Lottery

[Community Trust | Postcode Community Trust](#)

This is the fund that the *People's Postcode Lottery* company sets aside for Wales. The fund is open to Community Interest Companies that have a lock on their assets and which have charitable objectives. Priority is given to organisations with an annual turnover of less than £500,000.

Recently, the maximum grant awarded to Community Interest Companies has been increased to **£25,000**. **Capital and revenue** projects are supported, including running costs. Up to 18 months are allowed to spend any grant awarded.

Projects supported by the fund will have specific plans and objectives, and will promote the following themes:

- improving mental well-being,
- enabling community participation in the arts,
- preventing or reducing the impact of poverty,
- supporting marginalised groups and promoting equality,
- improving biodiversity and green spaces,
- enabling people to take part in physical activity,
- responding to the climate crisis and promoting sustainability, and
- increasing community access to outdoor spaces.

The fund therefore is not directly relevant to the work of restoring the pub but it would be possible to tailor aspects of the plan to match some of the themes above, e.g. hosting an entertainment programme, friendship groups etc.

3.2.7 The Prince's Countryside Fund

[Supporting Rural Communities - The Prince's Countryside Fund \(princescountrysidefund.org.uk\)](http://princescountrysidefund.org.uk)

This fund offers grants **up to £25,000** over two years to projects that can create a positive impression on rural communities. It is open to community interest companies. The fund is supported by the Postcode Community Trust.

Successful projects will achieve one or more of the following aims of the programme:

- Supporting people to resolve issues, circumstances and community priorities that already exist and are emerging in their area.
- Building the resilience of rural communities.
- Developing innovative and replicable projects.
- Enabling leadership and community planning.
- Improving the economic or social resilience of a rural community.
- Reducing isolation for people living in rural areas by improving the services provided.
- Creating a self-sustaining rural community fit for the future.

The fund's next round opens in October 2022.

3.2.8 Energy for Tomorrow, Centrica

[Energy for Tomorrow | Centrica plc](#)

Centrica's Energy for Tomorrow programme offers financial support – up to £100,000 – to charities and community enterprises (including community interest companies) that can contribute to promoting the use of renewable energy.

Their website suggests that they could be a potential source of funding for solar panels, air source heat pumps and the installation of community car charging points – especially if it is part of a project involved with promoting renewable energy in the community.

3.2.9 People's Health Trust

[Application guidance | People's Health Trust \(peopleshealthtrust.org.uk\)](#)

[Active Communities programme | People's Health Trust \(peopleshealthtrust.org.uk\)](#)

The purpose of this fund is to tackle the underlying social factors that affect the health of the population - especially in disadvantaged areas. The fund offers between £5,000 and £40,000 of grant funding to community initiatives (including community interest companies) that involve the community at the heart of their work.

The projects must have been planned by local people; they must support and facilitate ways for their neighbourhood to come together to discuss and respond to relevant topics that affect them; and create stronger links between people by supporting them to meet regularly over the course of a year. The project must be located in relatively deprived areas. (Llanfihangel Ystrad is listed at number 741 out of 1909 electoral wards in Wales in terms of social deprivation on the WIMD list).

There are two tiers of grants *Local Conversations* and *Active Communities*. The second seems to be the fund most relevant to Tafarn y Dyffryn.

3.2.10 Ceredigion County Council Community Grants

[Community Grants - Ceredigion County Council](#)

The purpose of Ceredigion County Council's community grants is to increase the range of opportunities, facilities and community activities available to the public in Ceredigion by offering **capital and revenue** grants to community groups, community councils or voluntary leisure and sports associations.

Very relevantly, capital grants are available for things such as the purchase and development of land, the purchase of buildings, the improvement of existing facilities and the purchase of equipment. Revenue grants can support staffing costs and expenses of community projects.

No grant will be given that exceeds 50% of the cost of the project or the amount required to finance the shortfall in the project, up to a maximum of **£25,000**, whichever is lower. Applications can be submitted at any time during the financial year - the earlier the better. Evidence of community support must be presented, e.g., a supportive letter from a community council.

This fund will already be familiar to many of the directors of the initiative. Please note that the fund is not willing to consider applications for projects that have already started or been completed or for events that have already been held. Furthermore, a grant can be partially withdrawn if the expenditure does not match the plan provided.

3.2.11 *Pub is the Hub*

[Pub is the Hub](#)

[Pub is the Hub 2022 – community grants | Business Wales \(gov.wales\)](#)

Pub is the Hub is a not-for-profit organisation that receives financial support and sponsorship from companies in the catering and hospitality industry, together with some public and charitable bodies. They have 12 regional consultants who can advise publicans on aspects of their community function, together with advising on developing community ownership of pubs.

Pub is the Hub created a community fund in 2013. Grants of up to **£3,000** are available to enable rural pub owners, licensees, and local communities to work together to help support and maintain local services in England, Wales and Scotland.

The *Pub is the Hub* Community Services Fund assists projects that support the needs of local communities by using pubs to offer a new service or to offer a service that has already been lost, such as a local shop, library, post office or community centre, or to encourage pubs to procure local produce, provide school meals, IT training and church services.

Funding will support projects where no other local funding for services currently exists. Applications can be submitted at any time.

3.2.12 *Community Cashback, Spar*

[Community Cashback | SPAR](#)

The ***Community Cashback*** scheme of the local shopping company, Spar, provides grants to local voluntary or community organisations. There are no obvious guidelines on their website, but it is suggested that applicants should consult their local Spar stores. Applications can be made for up to **£10,000** by filling in a simple on-line form. The application rounds are open monthly between March and October.

3.2.13 *The Ashley Family Foundation*

[What we fund — The Ashley Family Foundation](#)

This fund supports community initiatives to cope with the challenges of rural life together with projects that promote the arts. They favour requests for revenue funds that are under **£10,000**. They prioritise mid Wales (with half of their grants distributed in Wales). Although they place an

emphasis on funding bodies with charitable status, they do not necessarily exclude community interest companies.

3.2.14 Town and Local Community Councils

[Town and Community Councils - Ceredigion County Council](#)

Local community councils are a potential source of funding for small grants – **up to around £1,000** per year in relation to rural councils such as the ones in Dyffryn Aeron. There are at least 7 community councils in the initiative's catchment area - Aberaeron, Ciliau Aeron, Henfynyw, Llanfihangel Ystrad, Llansanffraid and Nantcwnlle. Together they could be a potential financial source of between £5,000 and £10,000 a year.

3.2.15 National Lottery Heritage Fund

[Welcome | National Lottery Heritage Fund \(heritagefund.org.uk\)](#)

This fund funds capital and revenue projects that connect people and communities with national heritage. Grants are awarded in three tiers – projects with budgets between £3,000 - £10,000, between £10,001 - £250,000 and between £250,001 and £5 million.

The type of projects funded is broad and although the website mentions 'historic buildings' the author would be doubtful whether that would include restoring a community pub without there being a strong element of cultural heritage to the application. However, it is a source that should be considered in the future for supporting heritage projects that could be based in the pub and its community networks.

3.2.16 Architectural Heritage Foundation (AHF: Architectural Heritage Fund)

[Wales | The Architectural Heritage Fund \(ahfund.org.uk\)](#)

This fund is supported by Cadw (Welsh Government), Pilgrim Trust and the Garfield Weston Foundation. It is open to not-for-profit bodies (including Community Interest Companies) to assist with projects where the building is of architectural interest. There are three tiers of grants:

- Project Viability Grant – up to £10,000 – to assist with project planning.
- Project Development Grant – up to £20,000 – to assist in planning the work.
- Capital Grant – up to £50,000 – to assist with restoration/repair work.

The application process has three stages. The allocation cycle is three-monthly and the next closing dates are 31 July 2022, 18 October 2022 and 9 January 2023.

3.2.17 Community Foundation Wales

[Fund for Wales - Community Foundation Wales](#)

Grants of between £500 and £2,000 are awarded to small community organisations which are run by volunteers and which seek to improve people's life chances, build stronger communities,

improve the local environment, encourage healthy and active communities and protect heritage and culture.

3.2.18 Wales Basic Economy Fund

[The Basic Economy | Business Wales \(gov.wales\)](#)

This fund was identified in one of the initiative's preparatory documents. This £4.5 million fund opened in 2019 distributes grants of up to £100,000 to initiatives that promoted the basic economy. However, after enquiring with Business Wales it appears that the fund is no longer open and there are no indications that it will be reopened at present.

3.3 Sources of advice and support

3.3.1 CAVO

[Home | CAVO](#)

The Association of Ceredigion Voluntary Organisations is a good source of information about smaller grants that would be available to the initiative, especially for thematic projects, e.g., youth work or community empowerment. It is suggested that you should keep in constant touch with Teleri Davies, their Skills and Support Manager, for the latest details.

3.3.2 Plunkett Foundation

[Community Pubs Campaign - Plunkett | Plunkett Foundation](#)

The Plunkett Foundation is a charitable organisation based in Oxfordshire. It campaigns for the interests of rural communities, including the establishment of community pubs. The Foundation can offer business advice to community pubs. There are also financial packages that combine loans and grants, but it does not appear that they currently have a financial fund for community pubs.

3.3.3 CAMRA

[Community Ownership Archives - CAMRA - Campaign for Real Ale](#)

CAMRA – the campaign for real ale – is supportive of community pubs and provides some useful resources on their website.

3.3.4 Development Trusts Association Wales

[About us - DTA Wales](#)

The Development Trusts Association Wales is a membership organisation that brings together 43 community initiatives in order to share information, support each other, lobby, share good practice and promote the ethos and principles of community ownership. It has a relationship with

sister societies in the other three countries of the UK. It occasionally administers public funds, e.g., it has a current scheme to promote 5 community food centres.

3.4 Summary

When researching sources of funding for the initiative one aspect that came to light that could be a drawback when identifying grant sources is the status of the initiative as a community interest company. Although there are extensive merits and benefits to that status, not all grant funds – especially charitable funds – allow grants to be awarded to such companies. That somewhat limits the potential of attracting grants, in comparison with registered charities.

However, by developing a solid and sustainable business plan, it is believed that there is enough potential in the public funds currently available to allow the initiative to develop successfully.

As stated in the initiative's business plan (2021) it remains true that the most likely sources to significantly support the enterprise are the following three funds:

- Community Facilities Programme, Welsh Government
- Community Ownership Fund, UK Government
- Community Fund, The National Lottery Fund

These are long-term rolling schemes offering significant amounts of funding, capital and revenue, (up to between £150,000 and £250,000) which match the aims of the initiative, and which are open to community interest companies.

The National Lottery Heritage Fund is also a possible source of significant grant funding but it is assumed, in that regard, that it would be necessary to present an application that would identify and promote specific and relevant historical and cultural aspects. It is suggested that this could dilute the main objectives of the current plan, i.e. to reopen and re-establish the pub as a commercial enterprise and social hub. However, this fund could be considered in future in order to support an exciting and imaginative supplementary project, when the community pub's foundations are on a firmer footing.

Two of the seven funds administered by Social Investment Wales (WCVA) also offer significant amounts (up to £150,000) in grants and loans to social enterprises, namely:

- The Community Asset Development Fund
- The Social Business Growth Fund

However, the timetable for submitting applications to those funds has now passed (June 2022), if no guidance to the contrary is received from the funds' officers.

There are a number of other potential funds that could be applied to for amounts of around £10,000 to £50,000:

- Architectural Heritage Foundation
- People's Postcode Lottery
- The Prince's Countryside Fund
- Ceredigion County Council's Community Grants

It is suggested that these sources should be considered to finance the developmental aspects of the initiative, e.g. strategic planning work, employing a community development officer to organise

activities that bring social benefits and personal well-being to the local residents. Likewise, consideration could be given to sources such as *Energy for Tomorrow* for installing equipment and running a programme that promotes renewable energy.

There are other funds that offer smaller grants which, if won, would secure sums of under £10,000 each:

- *Pub is the Hub*
- *Community Cashback, Spar*
- Local Town and Community Councils
- *The Ashley Family Foundation*
- Community Foundation Wales

It is suggested that these sources could be of use in promoting specific activities and social events within the business plan and the composite activities programme. There are also other thematic funds that could finance specific projects, e.g., the Natural Resources Wales Reconnecting People and Places Fund³ which funds projects that connect people (local people and tourists) with the local environment in mid Wales.

It is suggested that the next steps for the initiative would be to build on the initial business plan and the anticipated cash flow projections and tailor them to the objectives and conditions of the largest grant sources. In doing so it will be necessary to detail needs and requirements in terms of the developments that need to be made to the building, together with the aspects of community development that will require revenue funding to support them – and that over a period of several years.

³ [Natural Resources Wales / Reconnecting People and Places – Improving Health, Wellbeing and the Economy \(naturalresources.wales\)](https://naturalresources.wales)

4.0 Profile of Dyffryn Aeron’s community resources

4.1 Demographic profile

Tafarn Dyffryn Aeron is located in the village of Ystrad Aeron which lies on the A482 between Aberaeron (6.7 miles) and Lampeter (6.5 miles) opposite the junction with the A4342 to Dihewyd. Ystrad Aeron is adjacent to the village of Felinfach. The two places form one composite community on the Dyffryn Aeron plain.

Llanfihangel Ystrad is the administrative community and the electoral ward. The ward had a population over 3 years of age of 1,973 in 2011 with 57% Welsh-speaking. According to the 2011 Census, 57% of the population of Llanfihangel Ystrad were also born in Wales.⁴

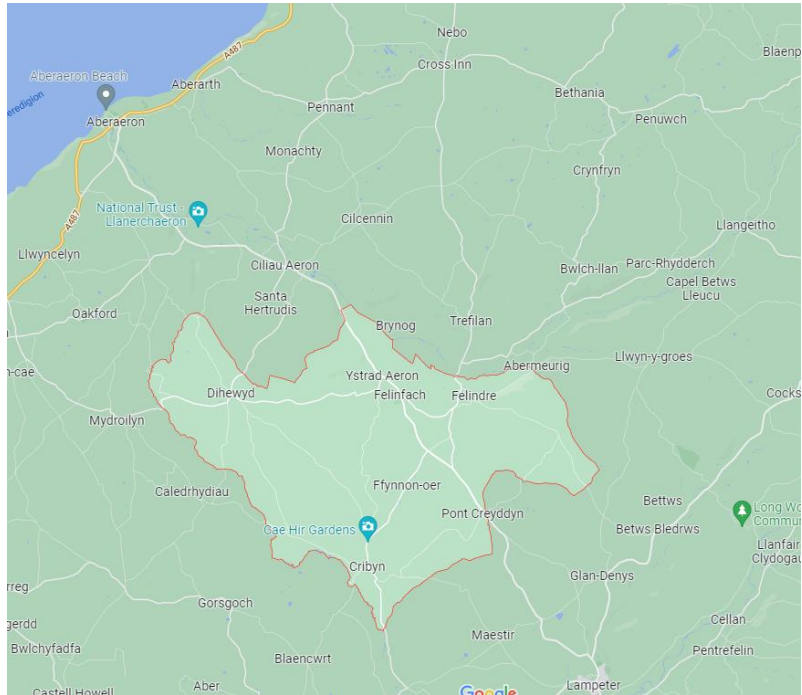


Figure 1: The community of Llanfihangel Ystrad and the surrounding area

Dyffryn Aeron as a whole includes, in addition, the wards and communities of Aberaeron and Aberarth, Ciliau Aeron and Henfynyw, Llansanffraid and Dyffryn Arth, Nantcwnlle and Llangeitho.⁵ Together these wards had a population of 9,028 in 2011, with 4,970 (55%) being Welsh-speakers. (The comparable national figure was 19%). The area represents a large and significant part of the ‘Bro Gymraeg’ in Ceredigion.⁶

The age profile of the area leans towards the older generations, with emigration from among the younger generations, to pursue educational and career opportunities, a key factor. Furthermore, there is a significant influx of older people from elsewhere in the UK.⁷

A high percentage of the local population work in agriculture (10% compared to the average across Wales of 2%), with 7% working in the manufacturing industry. A significant number of those work in local factories such as *Sensient* and *Volac International*, who are large local employers and located on the former Milk Marketing Board creamery site to the west of Ystrad Aeron. Like the rest of Ceredigion, the area has a very high proportion of self-employed workers (19% compared to an average across Wales of 9%) with a high number working in the agriculture or construction sector.⁸

⁴ [Llanfihangel Ystrad - UK Census Data 2011](#)

⁵ Please note that the boundaries and names of some of Ceredigion’s electoral wards have changed in 2022 but the external boundaries of the area remain as they were before the recent reorganisation.

⁶ [ceredigion-language-profile-march-2016.pdf](#)

⁷ [2-Vale-Business-Plan.pdf \(tafarn.cymru\)](#)

⁸ [Ibid.](#)

According to the Welsh Index of Multiple Deprivation, in general, the Llanfihangel Ystrad area is listed as number 714 of the 1,909 wards in Wales namely within the most deprived 40%. However, in terms of access to services the ward is in the most deprived 10% on the latest index in 2019 – number 51 out of 1,909.⁹

4.2 Social resources

Below we list the community resources located in the valley communities by main villages or areas.

4.2.1 Felin-fach and Ystrad Aeron

The main social resource of Felin-fach and Ystrad Aeron is **Theatr Felin-fach** which is located about a mile to the west. The Theatre celebrates 50 years this year (2022) and is an important and significant cultural centre, especially in terms of maintaining and promoting Welsh culture, locally and within Ceredigion in general. The Theatre is administered by Ceredigion County Council. As well as providing regional theatre resources, together with a number of rehearsal and work rooms, the Theatre is home to a wide-ranging cultural programme. Furthermore, the campus is a centre for a number of key projects and services supported by the Council, e.g., Cered, the Ceredigion language initiative. The Theatre is a licensed venue where a pop-up bar is occasionally provided to accompany the occasional performance or event. Historically there has been a constructive informal relationship between the Theatre and Tafarn y Dyffryn, with the pub being a convenient location for post-performance events.

In the village of Felin-fach there is the **Felin-fach Memorial Hall**, an unlicensed village hall which can provide for concerts and big social events in the area, together with providing a committee room for the use of local associations. The hall (15m x 10m) is used by local organisations such as the Felin-fach YFC and Merched y Wawr.

In **Ysgol Gymunedol Felin-fach** there is a rather small space that is used for some events related to the school and is occasionally used by other groups. Plans are currently underway to build a new area school on the eastern edge of the village.

There is a **football pitch** in Felin-fach with a small car park and changing rooms.

A parish church (The Church in Wales) is located in Llanfihangel Ystrad. Neither the church nor the adjacent small vestry offer very convenient resources for public meetings, and car parking is difficult there.

About half a mile on the road northwards towards Tal-sarn is **Ty'n-y-gwndwn Chapel** (Independent) which has a small vestry. It was once home to a notable drama company. The chapel is active in terms of worship and religious meetings but is not currently being used for social purposes. Parking is an obstacle here again.

Added to the above, in respect of **economic utilities**, the village has a post office and a shop supplying everyday goods, a garage which is also a petrol station and a shop, together with an extensive agricultural goods warehouse. Both shops sell alcohol on an off-licence basis.

The standard of **public transport** is generally good, with regular services running almost every hour during the day, between 7.30am and 7.30pm, connecting the village with Aberaeron and

⁹ [Welsh Index of Multiple Deprivation \(WIMD\) 2019: Results report \(gov.wales\)](#)

Aberystwyth along the coast and with Lampeter to the east and Carmarthen to the south. However, there is no service beyond those times, and fewer services are available at weekends.

There was another pub in Ystrad Aeron at one time - the **Brynog Arms** – but it has not operated as a tavern for several years. Before the recent lock-downs a chip shop operated from the building. That shop has now also closed.

4.2.2 Cribyn

There are few community utilities in Cribyn these days. Cribyn Community School closed in 2010. However, since then the building has served occasionally as a community centre for the villagers, under the name **Canolfan Bro Steffan**. It has a hall, meeting rooms and a kitchen. Occasional social events are held there. There is also an extensive **playing field** in Cribyn which is home to the village carnival and various other community events.

The post office and shop have long since closed along with the village pubs. **Capel Undodaidd Cribyn** (Unitarian) is still open, as is **Eglwys Saint Silin** (The Church in Wales), and they are used for the purposes of their congregations. **Capel Annibynnol Troed-y-rhiw** (Independent) is located about 1.5 miles west of the village. The small vestry there is occasionally used for local social events and cultural committees. It is also the spiritual home of Troed-y-rhiw Cooperative Theatre Company.

Capel Undodaidd Rhyd-y-gwin (Unitarian) is also located in the nearby village of Temple Bar (2 miles to the north east).

4.2.3 Dihewyd and Mydroilyn

There is a purpose-built **village hall** at Dihewyd which is used regularly and for a variety of purposes by the local residents. It has a well-appointed hall (12m x 8m), a meeting room and kitchen. It also has a **football field** and extensive playgrounds. **Capel Bethlehem** (Independent) and **Eglwys Llanwyddalis** (The Church in Wales) remain open and are used by their congregations. Both organisations have the use of small vestries. **Ysgol Gymunedol Dihewyd** remains open at present until plans to open an area school in Felin-fach are brought to fruition. There is no shop or pub in the village.

There is a busy **village hall** in Mydroilyn (about 12m x 6m) also, with a committee room and kitchen. It is home to a number of local groups, including Mydroilyn YFC. **Tafarn y Gilfach** is home to the Bois y Gilfach male voice choir. Religious services are held in the **Mydroilyn Independent Chapel**, which has a small vestry, together with the **Church of the Holy Trinity** (The Church in Wales).

4.2.4 Ciliau Aeron and Neuadd Lwyd

There is a substantial **village hall** in Ciliau Aeron (15m x 10m + stage), with a meeting room and kitchen. The facility is used by local and county organisations. It has a large and convenient car park where there are a number of recycling bins.

Ysgol Gymunedol Ciliau Parc is located at the village crossroads. It remains open until the new area school is opened in Felin-fach. There is also a children's playground in the village. **St**

Michael's Church (The Church in Wales) continues to attract a congregation; and there is an old **Unitarian Chapel** there too.

On the other side of the river Aeron is the **Tyglyn Aeron** hotel, which has a bar together with a spacious room to hold family events and celebrations. Opposite **Capel Neuadd Lwyd** (Ind.) there is an old mansion, **Llanerchaeron**, which belongs to the National Trust. The mansion, gardens and cafe are a popular tourist destination.

4.2.5 Aberaeron

Aberaeron is a popular seaside town at the mouth of the Afon Aeron. Its harbour, coastal location and distinctive Georgian architecture are a draw for tourists. There is also a vibrant local community here, with a wide range of societies and clubs meeting regularly.

It has a **substantial hall** which is used extensively (which seats an audience of up to 240). It has a substantial stage, two meeting rooms and a kitchen. It also includes a **snooker room**. Furthermore, the **British Legion** has a small hall (10m x 5m) at the other end of the town, which includes a kitchen. There is a dedicated building for the local **youth club** on the banks of the Afon Aeron, owned by Ceredigion County Council; and the Council also maintains a **public library** at the Town Hall. Before the recent pandemic the **County Council offices** in Penmorfa were also used for public meetings and various committees.

Holy Trinity Church (The Church in Wales) holds various events at the church and the Church Hall (approx 10m x 6m). The **Tabernacle** (Presbyterian Church of Wales) chapel vestry is also a popular venue for the town's social events as well as for religious activities. There is a small church here which is home to the **Catholic tradition**. A voluntary food bank is held in the **Peniel Chapel** (Ind.) vestry, although the chapel itself has now closed its doors.

There is a prominent playing field in the centre of the town, **Cae Sgwâr**, which is a valuable resource for outdoor sports and events. Moreover, there are **number of sports clubs** in the town: bowls, tennis, rugby, hockey and football clubs and a sailing club near the harbour. The bowls and tennis clubs, along with the rugby club, have their own dedicated buildings and resources. **Ysgol Uwchradd Aberaeron** and its **leisure centre** and **swimming pool** is also a valuable facility for the town and the area, together with the **Ysgol Gynradd Aberaeron** building.

There are a large number of pubs, hotels, cafes and restaurants in the town. However, they are not in direct commercial competition with Tafarn y Dyffryn.

4.2.7 Aber-arth and Pennant (Dyffryn Arth)

There are two public community resources in Aber-arth, namely the **Village Hall** and **Llanddewi Church** (The Church in Wales) which are located on the hill above the village. The hall (approx 10m x 6m) includes a kitchen and snooker room; and there is a children's playground nearby. In Pennant the **Presbyterian Chapel** continues to conduct services, as does **Eglwys Llanbadarn Trefeglwys** (The Church in Wales). The Ship pub there has now closed its doors. The primary school closed in 2009 but is used as a **community centre** where there is a busy programme of activities. There is no shop in either village.

4.2.8 Cross Inn and Nebo

The main meeting place in this area is the **Rhos yr Hafod** pub at Cross Inn. **Capel Nebo** (Ind.) and **Eglwys Dewi Sant** still hold services. Again, there are no shops in this area. With the primary school closed, it is used by a private nursery

4.2.9 Cilcennin

With the closure of the primary school in 2019, **The Village Hall**, near the church, is now Cilcennin's main community resource. It's a convenient little hall (about 12m x 5m), which also includes a kitchen. **Capel Seion** (Ind) and **Holy Trinity Church** (The Church in Wales) continue to serve the area. There is a playground for children on the school grounds and the school yard is used for some occasional social events.

4.2.10 Tal-sarn, Trefilan and Abermeurig

There is no obvious community centre in this area, except for **St Ilar's Church**, which has been partially adapted to facilitate community events. The fields of the **Llanllŷr** estate are used for the annual horse show.

4.2.11 Llangeitho

Llangeitho is located on the north-eastern edge of the area. The village is a centre for the upper part of Dyffryn Aeron, as are Felin-fach and Ystrad Aeron for the bottom of the valley. The **Jubilee Hall** (around 10m x 8m + stage) is an important community resource for the area, with a number of organisations using it, including the local YFC.

In the centre of Llangeitho can be seen **Capel Gwynfil** (Presbyterian) which was a notable centre during the Evangelical Revival of the 19th century. **St Caithe's Church** is located on the outskirts of the village, where there is a bright and spacious vestry but which is not open for public use at the moment. In the centre of the village is **Cegin Carwyn**, **Siop y Pentref** and the **Three Horseshoes** pub. There are also non-conformist chapels in the neighbouring communities of Bethania and Pen-uwch.

Ysgol Gymunedol Rhoshelyg remains open (in a federation with Rhos y Wlad school, Bronnant). A Cylch Meithrin is also located there and before the recent pandemic it was occasionally used for evening classes, e.g. Welsh lessons.

4.3 Events in village halls

Listed below are the usual activities held in Dyffryn Aeron's village halls. Please note that the COVID-19 period has had quite an impact on activities in several villages, therefore we do not claim that this list is completely accurate as many of the groups still have not resumed full or regular meetings. New activities will undoubtedly emerge as the situation stabilises. However, it is believed that the list gives a broad picture of the usual social activities provided by these halls.

Village Hall	Activities
Ciliau Aeron	Keep fit class – 3 nights a week Weavers of Ceredigion - monthly Women's Institute - fortnightly Ysgol Gymunedol Ciliau Aeron - occasional use by various groups Table-tennis table available.
Cilcennin	Welsh for Adults Class - weekly Yoga class – two nights a week Women's Institute - fortnightly Craft club – fortnightly Handicraft club – fortnightly Gardening club – monthly Quiz night - occasional Lunch for the elderly - about to restart following COVID
Felin-fach	Felin-fach YFC - weekly Martial arts - weekly Senior Citizens club - weekly Merched y Wawr - monthly Women's Institute - monthly County organisations, eg Homestart Social activities, eg bingo, whist drives Choir rehearsals and eisteddfodau - occasional Family celebrations – occasional Local groups and committees, eg community council, carnival committee, tractor run. Training sessions – occasional Piano and pool table available.
Mydroilyn	YFC Mydroilyn – weekly Indoor bowling club - weekly Table tennis club – 4 tables Yoga class – weekly Women's Institute - occasional Private parties – occasional Sound, projector and screen equipment available. Wi-fi and plasma screen proposed.
Dihewid	Grŵp Ti a Fi - weekly Community council - every other month Eisteddfod Committee - occasional Women's Institute - fortnightly Senior Citizens Club - every fortnight Lunch club – monthly Ceredigion Women's Institute Choir - every two weeks Ceredigion Women's Institute craft workshops - occasional Children's parties and family celebrations - occasional Carnival and Sports – annual Felin-fach Football Club – games and practice regularly Dihewid Community School uses the hall and field occasionally Whist drive nights and soup nights have not resumed since COVID. Sound equipment and piano. Pool and table tennis table.

Llangeitho	Llangeitho YFC – weekly Indoor bowling club - fortnightly Curling club – fortnightly Community council - monthly Birthday parties - occasional Brownies – weekly Sunday School Club – weekly Sunday Breakfast – monthly Community lunch - monthly Handicrafts club – monthly Film club – monthly Blu-ray projector and screen. Sound and lighting equipment. <i>Wi-fi</i> link proposed.
Pennant	Yoga Club – weekly Coffee morning - weekly Art group - weekly Pwythwyr Pennant (sewing) - weekly Photography club – fortnightly Lunch club – fortnightly PUBS Brewing Club – monthly Bingo/Quizzes/Games – occasional Film nights – occasional Family celebrations – occasional Seasonal events

4.4 Licensed premises in the area

As seen above, there are a number of hotels, restaurants and pubs in the seaside town of Aberaeron (6.7 miles) and the university town of Lampeter (6.5 miles). The other relevant premises in the surrounding villages are as follows:

Premises	Organisation	Distance	Description
Ciliau Aeron	Tyglyn Aeron Hotel	3 miles	A country hotel with a large function room that holds up to 200 people, plus a smaller bar. It is mainly a venue for weddings and large events. Currently on sale.
Gray Hall	Plas Llanerchaeron	5 miles	A historic mansion with a popular cafe owned and managed by the National Trust.
Cross Inn	Rhos yr Hafod	7 miles	A traditional pub that does not serve food.
Bethania	Hungry Ram	10 miles	A licensed restaurant popular as a venue for serving evening meals.
Llangeitho	Y Dair Pedol	7.5 miles	Traditional village pub, which serves basic bar food.

Llanwnnen	Y Grannell	6.5 miles	A traditional village pub, which serves meals.
Mydroilyn	Y Gilfach	5 miles	A traditional pub that does not serve food.

5.0 Tafarn y Dyffryn: Community Questionnaire

Regular consultation was held with the local community regarding the future of Tafarn y Dyffryn (Vale of Aeron) throughout 2021 as the steering committee facilitated discussions and promoted a campaign to attract shareholders, e.g. the pop-up events held across the villages in the valley. In the same period, an initial on-line survey was carried out among local residents. 53 responses were received. Some of the most significant findings of that survey are noted below:

- 94% of respondents believed that it was important or very important to ensure that the 'Vale' continues as a pub that serves as a focus for the local community.
- As well as a good selection of local beers and reasonably priced meals the most important aspects for the respondents were: a homely and welcoming atmosphere (91%), live music (74%), a suitable venue for families (70%), a beer garden (68%), a place for a cup of tea (53%), a room to hold meetings (47%).
- In terms of renovating the building and improving the facilities the main wishes were: an outdoor stage (74%), community resources (47%), a pop-up restaurant (43%) and a pub games room (42%).
- Respondents were asked about the possibility of buying shares in the pub. 40% were certain they would do so, with 28% being interested but needing more information.
- Almost everyone (96%) wanted to receive more information about the developments.

However, as a result of successfully opening the pub and in order to facilitate further consultation, a further questionnaire was drawn up to give interested individuals the opportunity to contribute their ideas regarding the facilities, activities and projects that they would like to see developed by the initiative from now on.

The survey was conducted for a period of 6 weeks between 8 June and 20 July 2022. An opportunity to answer the survey on-line was promoted through the enterprise's internal networks – shareholders and volunteers – together with local social media. Paper copies were left in the pub and were promoted at consultation and social events held in the pub at the beginning of July.

5.1 Profile of respondents

A total of 177 responses were received, of which 160 were complete and 17 were partially complete. The partial answers were because respondents chose not to submit their name or answer the questions about allowing further contact or volunteering. All 177 answered the central questions.

34% of the respondents were male with 65.5% female. There was one individual (0.5%) who did not identify as either.

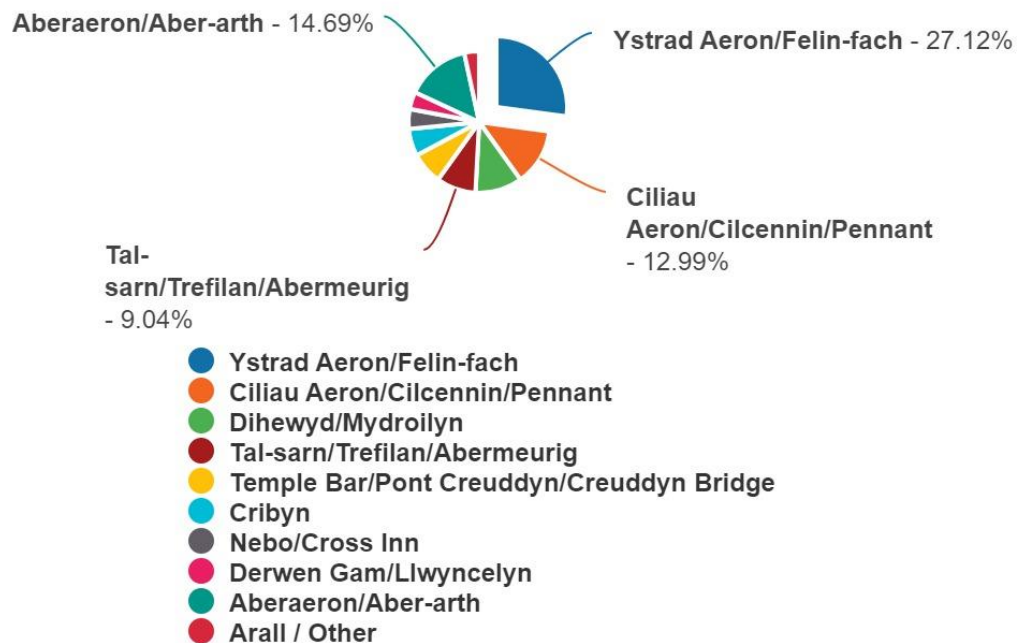
80% of the respondents stated that they could speak Welsh, 10% described themselves as learners and 10% stated that they did not speak Welsh.

97% of the respondents indicated that they were answering the questionnaire as individuals with 3% stating that they were answering on behalf of a community group.

Geographical distribution

There was a good geographical distribution among the respondents from across the Aeron Valley. As expected, the largest proportion of answers came from the Ystrad Aeron and Felin-fach area (27%). In addition, almost 15% came from the Aberaeron and Aber-arth area and 13% from Ciliau Aeron, Cilcennin and Pennant. 36 answers came from outside the area, most of them from Ceredigion but with individual answers being submitted from Cardiff (2), Ireland, Canada and Los Angeles.

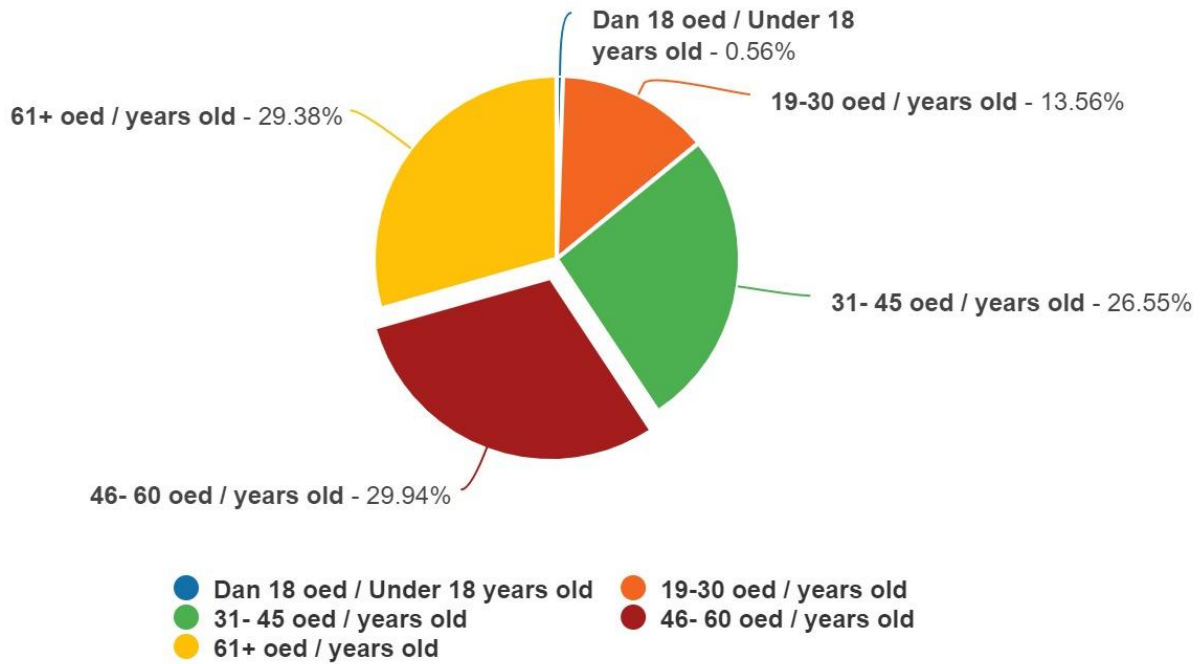
Pentref/tref agosaf: Nearest village/town:



Age

The age distribution among the respondents was fairly consistent across the age bands; and is fairly representative of the age profile of the area. There was one answer from an individual under the age of 18.

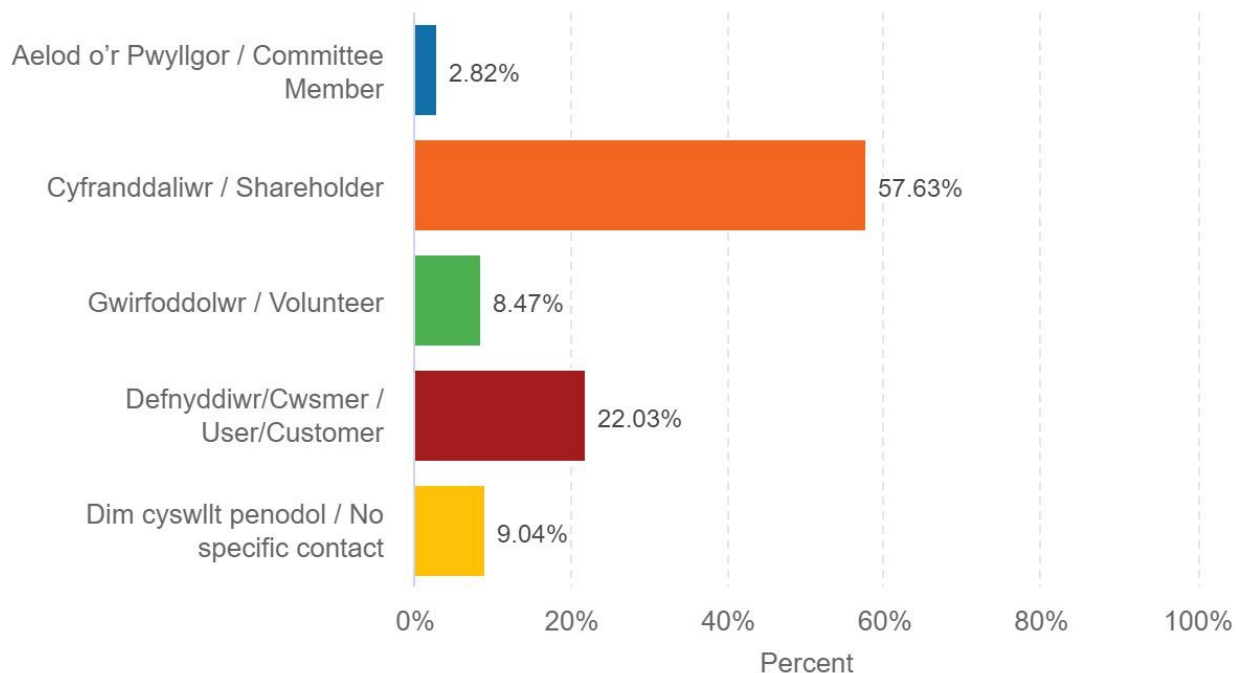
Grŵp oedran / Age group:



[Link to the initiative](#)

Most of the respondents (58%) were shareholders, with a further 39 (22%) describing themselves as users or customers. Among the other respondents were 5 members of the Management Board and 15 members of the volunteer group. 16 individuals had no direct contact with the initiative.

Cyswllt â Menter Tafarn y Dyffryn / Contact with Vale of Aeron Community Pub Campaign:



5.2 Findings

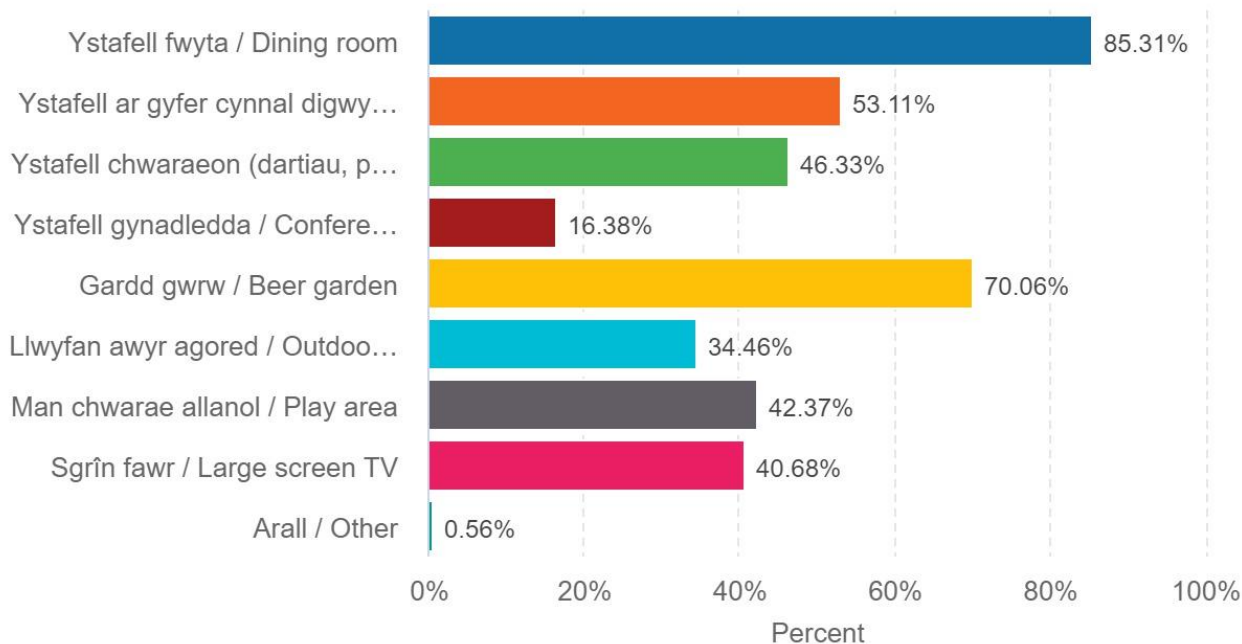
5.2.1 Facilities

The respondents were asked to indicate which facilities they would like to see developed at the Dyffryn Aeron Inn. A range of choices was offered along with an opportunity to add other ideas.

85% wanted to see a dining room developed in the pub and 70% wanted to see a beer garden at the back of the pub. Having a room for holding musical and dramatic events was a wish expressed by 53%, with 46% wanting to see a pub games room continue as part of the provision. There was also significant support for an outdoor play area (42%), a big screen (41%) and an outdoor stage area (35%). Only 16% indicated a wish to see a committee and conference room established.

21 individuals had offered additional comments. The most frequently stated point (5) was the need to ensure easy access for disabled people. 2 respondents noted the importance of being able to include children and young people under the age of 18 in the plans. Other suggestions included erecting a dedicated barbecue area in the beer garden and securing space to erect a marquee for various events.

Cyfleusterau: O atgyweirio ac ymestyn adeiladau'r dafarn, pa gyfleusterau gareth chi eu gweld yn cael eu datblygu yn Nhafarn Dyffryn Aeron? Facilities: In terms renovating and extending the pub buildings, what facilities would you like to see developed at the Vale of Aeron Inn?



5.2.2 Activities

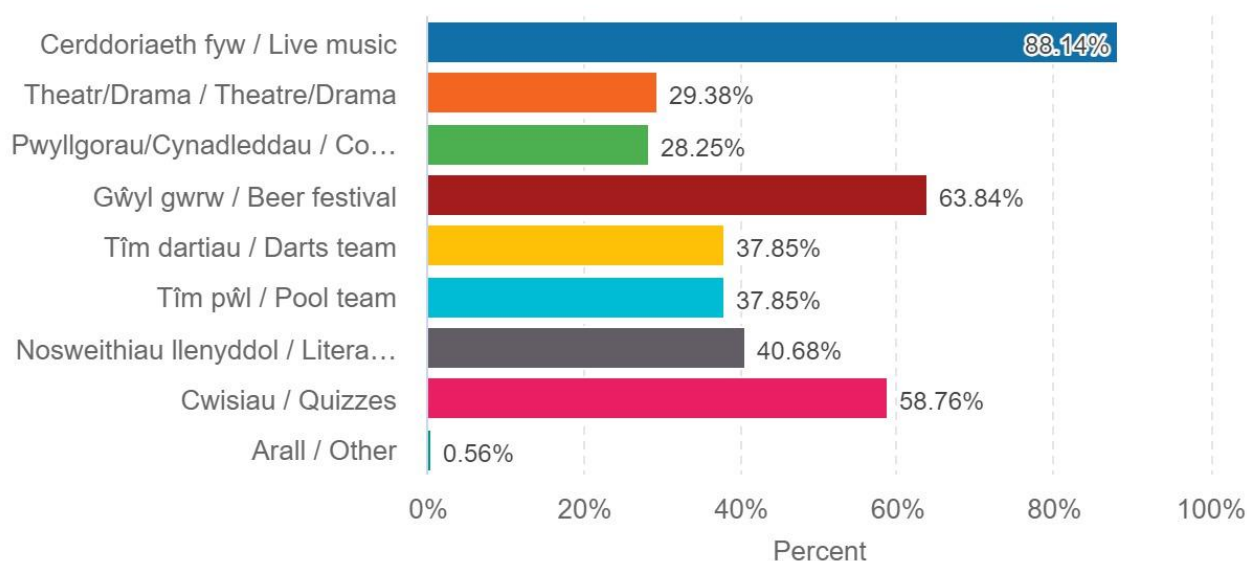
The respondents were asked about what activities they would like to see taking place in the pub. A number of possible choices were offered along with an opportunity to propose alternative ideas.

Live music was the most popular choice (88%), followed by a beer festival (64%) and pub quizzes (59%). Holding literary evenings was desirable by 41%, with hosting darts and pool teams being important to 38% of the respondents. 29% wished to see drama events held in the pub, with 28% wishing to see space in the pub to hold committees and conferences.

18 individuals proposed very diverse ideas for the committee to consider, including: a reading club, a senior citizens club, a quoits pitch, bar games (tip-it, dominoes, whist), a *cynganeddu* (poetry composition) class, a history club and opportunities to hold folk music sessions. One respondent suggested that sessions should be organised to promote mental health and manage anxiety. There was a suggestion that a food festival should be held; and one respondent proposed that a night for motorcyclists should be held during the summer months (as is done at Caffi'r Hen Ysgol, Cross Inn near New Quay).

Many wished to see opportunities organised so that new Welsh language speakers could have a chance to practice conversation skills. Although one person mentioned holding a *noson lawen* as an alternative event, two other respondents indicated concerns about competing with Theatr Felinfach and the local village halls in terms of the cultural offer. On the other hand, a respondent emphasised the need to collaborate with these organisations, together with other local and national groups, to hold interesting cultural events.

Gweithgareddau: Mae Tafarn Dyffryn Aeron yn bwriadu datblygu rhaglen gymdeithasol ar y cyd â'r gymuned leol. Pa weithgareddau neu ddigwyddiadau garedh chi eu gweld yn Nhafarn y Dyffryn? Activities: the Vale of Aeron Inn intends to develop a programme of social events in partnership with the local community. What activities or events would you like to see at the Vale of Aeron?



5.2.3 Projects

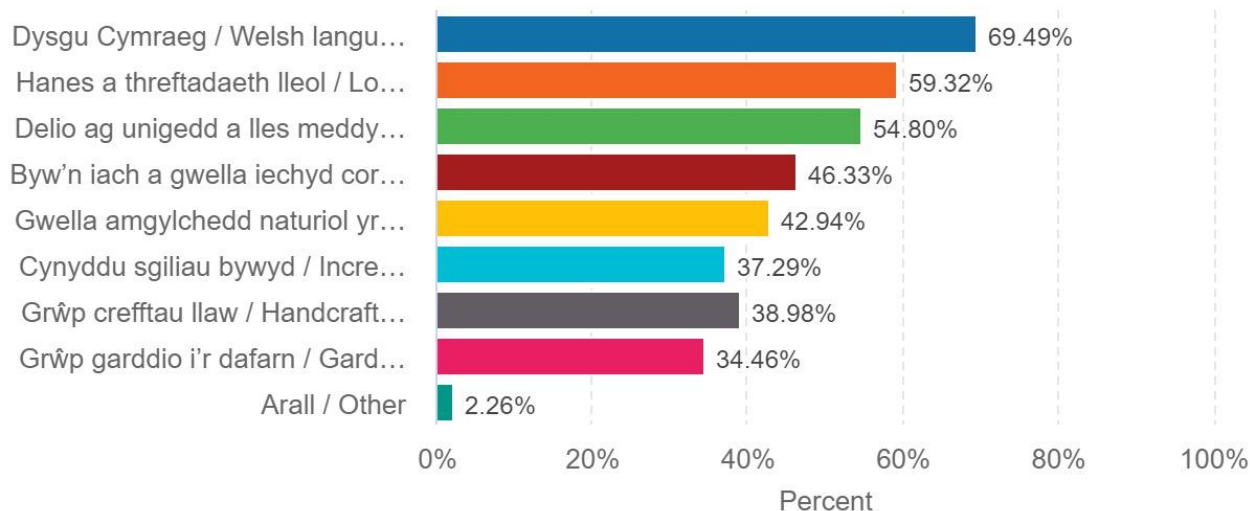
The initiative to develop Tafarn Dyffryn Aeron opens up the possibilities for the venue to be used for developing progressive community projects to empower and strengthen the local community. The respondents were asked about the type of projects they would like to see developed by the initiative. Again, the respondents were given a range of possibilities to consider, along with an opportunity to offer alternative ideas. By coincidence the popularity of the choices followed the order in which they were presented, with one exception.

The majority of respondents wished to see opportunities to support Welsh language learners (69%), opportunities to learn and promote local history and heritage (59%) and opportunities to deal with loneliness and mental well-being (55%).

Healthy living and improving the physical health of local residents was a priority for 46%, with 37% of respondents wishing to see opportunities to improve the life skills of people in the area. 43% wanted to see the pub contribute to improving the area's natural environment. 39% of respondents were interested in projects related to crafts and handicrafts, with 34% indicating that setting up a gardening group would be a desirable possibility.

19 respondents offered alternative ideas, with many echoing the responses received in relation to the 'activities' above. Furthermore, however, the possibility of exhibiting the work of local artists, establishing a repair club and establishing a ramblers' club were noted. One respondent was in favour of holding a 'cake and coffee group' for the elderly and others (this already takes place in Rhos yr Hafod, Cross Inn).

Prosiectau: Mae'n bosib defnyddio Tafarn Dyffryn Aeron fel lleoliad i ddatblygu prosiectau blaengar ar gyfer grymuso a datblygu'r gymuned leol. Pa fath o brosiectau/grwpiau garech chi eu gweld yn cael eu datblygu yn Nhafarn y Dyffryn? Projects: The Vale of Aeron Inn can be used as a venue to develop innovative projects for empowering and developing the local community. What kind of projects/groups would you like to see developed at the Vale of Aeron?



5.2.4 General

40 respondents noted additional comments. A large number of them praised the members of the committee for their initiative and wished them well in their work. There were a number of comments which supported some of the suggestions noted above in the central questions. In addition, there were suggestions regarding the desirability of developing a relationship with a local taxi company and a suggestion that the possibilities of holding hybrid events on-line should be considered.

There was a general appreciation among the comments of the manner in which the community ethos is maintained by the initiative, and the manner in which the pub contributes to the sustainability of the local Welsh culture. There was also appreciation for the way the initiative succeeded in bridging the linguistic divide between native Welsh speakers, Welsh language learners and non-Welsh speaking individuals.

75% of the respondents were willing for the committee to contact them again to ask for further opinions, with 81 leaving a contact e-mail address. 34 individuals indicated their wish to be members of the initiative's volunteering team.

6.0 Case Studies

IAITH Cyf was asked to conduct two case studies of initiatives that have established community pubs in rural and Welsh-speaking communities, similar to Dyffryn Aeron. Pengwern hotel in Llan Ffestiniog, Meirionnydd, and Y Plu pub in Llanystumdwy, Eifionydd, were chosen as two suitable examples. The intention was to learn lessons from these initiatives in order to enrich the initiative's planning work in Dyffryn Aeron.

Desk-top research was carried out and representatives from the individual enterprises were questioned. We thank Selwyn Williams, one of the original directors of Y Pengwern, and Siôn Aled Jones, one of the current directors of Menter Y Plu, for their time and cooperation.

6.1 Case Study 1: Pengwern, Llan Ffestiniog

6.1.1 Background

Y Pengwern is located in the village of Llan Ffestiniog on the outskirts of western Snowdonia in Gwynedd. Llan Ffestiniog is a village with a population of just under 1,000. It is part of the famous slate area which includes the nearby industrial town of Blaenau Ffestiniog. Almost 8 out of every ten people in the area are Welsh speakers according to the 2011 Census.



The hotel is a prominent feature on the village square. It has been a significant building and institution in the village for centuries. Historically the 'Pengwern Arms' served local drovers as well as being a coaching inn. Part of the building dates back to the 14th century and the date 1662 is to be seen on another part of the building. Records testify that a business has been run from the premises since at least the 18th century, if not earlier. The building is registered with Cadw as a Grade 2 building of historic interest. It was one of the main social centres of the area and a popular venue for family celebrations and social events over the years.

The hotel was a very prosperous business until recent decades, when maintenance costs began to hinder the owners. The building fell into disrepair and in February 2009 Y Pengwern closed its doors, leaving the village without a pub. This caused concern among some local residents who were worried that the hotel's doors would not reopen without positive action from the community.

Shortly before the closure, a public meeting was held in the village to discuss the issue. About 50 people came together and it was decided to set up a community initiative to try to reopen the hotel for the use of the local neighbourhood. With the help of the Wales Co-operative Centre, 'Pengwern Cymunedol Cyfyngedig' was established as an Industrial and Provident Association in June 2010, with a Board of Directors elected from among the members of the association. The enterprise had begun.

The vision of the initiative was to turn the old hotel into a first class economic, social, educational and cultural centre which would be a resource and a platform that could serve the community.

6.1.2 Purchase and establishment of the business

Despite the challenges faced due to the condition of the building, as a first step, financial shares were offered in the venture and approximately £30,000 of capital was raised from more than 200 local shareholders. Loans and a mortgage were secured on favourable terms from Tai Eryri and the Welsh Government as a result, and the purchase was completed in March 2011. Through valiant voluntary efforts the bar was reopened together with the meeting room by May of the same year, which started to generate commercial income for the enterprise, together with securing a suitable venue for social events in the area.

By July of the following year, again through the hard work of a large number of volunteers, the kitchen was opened, creating a supplementary income stream from the sale of meals and catering services. In November 2013 the first 3 bedrooms were opened to paying guests, creating a third income stream for the business. Today 9 of the 10 bedrooms in the hotel have been restored and are regularly let to visitors. The accommodation has become a key element in the initiative's business model.

The initiative's annual report presented in 2021 shows that, during 2019, the business showed a turnover of £263,597, a post-tax profit of £8,519 and net assets of just over £250,000. Unfortunately, the COVID-19 pandemic seriously affected the performance of the business during 2020 and 2021, but the situation has been stabilised and business is currently increasing.

The developments in Y Pengwern have been carried out without commercial loans, as the Board of Directors consider that tying the initiative to interest repayments is a commercial risk. Instead, the work has been carried out through extensive voluntary labour, specific grants, voluntary contributions and reinvesting the commercial surplus of the business.

6.1.3 Organisation and management

As a Provident and Charitable Association Pengwern Cymunedol has a current membership of around 268 individuals, the majority of whom are local residents.¹⁰ A Board of Directors is appointed from among the membership of the initiative and that Board bears the initiative's financial and legal responsibilities. 13 directors were elected at the start of the initiative. 9 of those remain directors and there is an opportunity at present for representatives from the younger generation to share responsibilities.



The Board of Directors meets monthly to maintain a strategic overview of the business' activities and to direct its growth into the future. There is a wide range of experiences and skills among the directors – including individuals with a legal background, a retired bank manager, an industrial chemist, and a health and safety consultant amongst other specialisms. The depth and range of these experiences have been an asset to the enterprise as it establishes itself. Furthermore, an independent business consultant was occasionally commissioned to objectively review the performance of the business and challenge the Directors' commercial assumptions.

¹⁰ Annual Report December 2020, FCA.

Day-to-day management matters have been devolved to a smaller Management Committee, which meets with the staff weekly to organise the practical aspects of the business. The initiative relied heavily on volunteers in the early stages, with over 60 people contributing in various ways. However, as one of the initiative's intentions is to develop job opportunities, over the years they have succeeded in increasing the initiative's staff. In early 2020, before the COVID-19 pandemic spread throughout the country, the initiative employed 11 members of staff, mostly part-time, throughout the year. Currently, the initiative is trying to rebuild the staff capacity as business increases once again. Volunteers have continued to be part of the staffing plan - especially in relation to one-off and occasional events such as family celebrations, social events, cultural evenings etc.

6.1.4 Involvement with the community

A slogan espoused by Y Pengwern is, 'From the community, for the community'; and members of the local neighbourhood are key to the success of the initiative. As stated above, the initiative was established as a result of a public meeting and well over 250 individuals have bought shares in it.

Local volunteers were central to the process of restoring the building, putting their shoulders to the wheel, literally, as they protected the building, repaired it, and decorated and improved it. There were many opportunities to contribute to the work: from clearing and cleaning, to creating stylish soft decorations and gardening, from raising money and assisting with administrative arrangements to preparing and serving food. Although the initiative has been able to increase the number of staff over the years, local volunteers remain key to the running of the initiative, especially when it comes to supporting the staff in one-off events.

But more important than the opportunities to volunteer, the pub is a significant resource for the community in terms of its traditional role of offering an appropriate place to meet informally with neighbours. Furthermore, the community also takes advantage of the location to host and participate in a wide range of slightly more formal social, cultural and educational events. Those events vary greatly, and include: coffee mornings for the elderly, introductory IT classes, sessions held by the Mudiad Meithrin, sessions to facilitate applications for benefits, Welsh lessons for adults, various lectures etc. The facilities are provided free of charge for groups and community or voluntary events.

The community's involvement with the initiative is, therefore, multi-layered and the social buzz generated by Y Pengwern is proof of its success.

6.1.5 Lessons learned

From discussing the above developments with a prominent member of the Board of Directors, a number of tips were suggested to other initiatives based on the experiences of the last decade. Among the lessons learned the following were noted:

- the importance of keeping a close eye on and strict control over the cash flow and commercial activities of the initiative,
- securing the occasional service of an independent business consultant to lead an internal review process,
- maintaining efficient administration, recording business decisions in an orderly manner,

- recognising the value that comes from securing a wide range of expertise and relevant experience among the Board of Directors,
- keeping beer prices relatively low and providing venues for local and cultural associations to meet free of charge,
- being aware of the business risks associated with providing meals as part of the initiative; and most important of all
- ensuring that maintaining and developing the initiative is fun for all concerned.

6.1.6 The Future

The initiative has a long-term plan in relation to the estate, in terms of upgrading parts of the building that have already been opened, e.g., the bar and function room, erecting a new portico that is in keeping with the building's architectural heritage and developing eco-accommodation in a part of the buildings that has not yet been restored.

Socially, however, the initiative has a strong focus on maintaining and developing the community events and the educational and cultural opportunities facilitated by the location as a key hub for the neighbourhood wheel. There are also economic benefits, along with benefits in terms of well-being and health for the residents of the village and the surrounding area.

6.1.7 Cwmni Bro Ffestiniog

Significantly, Pengwern Cymunedol Cyf. belongs to the economic and social 'parasol' of Cwmni Bro Ffestiniog, which brings together over a dozen cooperatives and community organisations in the area to work together in order to revive the area from its roots.

The objectives of Cwmni Bro Ffestiniog are to:

- Promote collaboration between the various community initiatives in the area.
- Improve collaboration between community initiatives, charities, voluntary organisations and public and private agencies operating in the area.
- Support and promote the growth and development that already exists in the area.
- Increase community participation and promote community activity and entrepreneurship.
- Instigate, foster and promote new initiatives in the area.
- Contribute to the development of individuals as well as the economic, environmental, social, cultural and educational development of the area.

The ethos and community vision of Y Pengwern is, therefore, shared by others in the area. Drawing on the cooperative cultural roots of the local Welsh-speaking neighbourhood, Pengwern, Cwmni Bro Ffestiniog and others have grasped the challenges the area faces and have set about crafting a sustainable future for their local communities through their own efforts and strengths.

You can get more information about Cwmni Bro Ffestiniog on www.cwmnibro.cymru. The Pengwern website is: www.ypengwern.co.uk

6.2 Case Study 2: Y Plu, Llanystumdwy

6.2.1 Background

Tafarn y Plu is located in the centre of the village of Llanystumdwy in Eifionydd, Gwynedd, between Cricieth and Pwllheli, where the main road (A497) to Pen Llŷn crosses the river Dwyfor. Llanystumdwy is a village of around 2,000 people. The surrounding area includes the villages of Chwilog, Llangybi, Rhos-lan and Pencaenewydd.

Llanystumdwy is a lively village, with Welsh continuing to be the main language of the community. 77% of the population were Welsh speakers in 2011. There is a village hall, a primary school and a church. The Llanystumdwy football team plays in the Gwynedd league.

The village is associated with David Lloyd George, who was born there. The house where he was born is now the David Lloyd George Museum and his later home, Tŷ Newydd, is now a busy literary centre.



The author and journalist Jan Morris lived in Llanystumdwy for over 50 years. Tafarn y Plu is associated with the famous playwright Wil Sam (Jones) who ran a garage in the village for many years.

The Plu is a traditional pub that is over 200 years old and still retains many of the traditional features from the 1950's. There is a bar and 'lounge' at the front of the pub, with space to hold meetings and committees. In the autumn of 2020, the television programme *Prosiect Pum Mil* (S4C) helped to build a stage and an open-air performance space in the pub's garden.

6.2.2 Purchase and establishment of the business



In 2015 the owners of Y Plu wanted to retire and the pub was put on the market. It was on sale for a few years before a conversation arose locally about the possibility of getting the local community to organise themselves to buy it. Over 50 people came to a public meeting in September 2018 to discuss the possibilities and Menter y Plu was put into action. The Wales Co-operative Centre helped in the process of establishing the initiative as a Community Interest Company registered with the FCA and a bank account was opened.



Public shares were offered in the initiative and £85,000 was raised, with local people and individuals from all over the world contributing. With a combination of a grant and an interest-free loan of £120,000 from the Community Assets Investment Fund, Wales Council for Voluntary Action, (European Union funding, ERDF) the purchase was completed on 1 August 2019.

The COVID-19 pandemic interfered with the initiative's plans in March 2020 but it continued to try to serve local needs in the midst of the lock-downs. During that year the holiday accommodation next door which had been established in Capel Tabernacl (Capel Bach) in the 1990s came up for sale. The initiative offered further shares, raising over £30,000 of share capital and succeeded in buying the chapel with a further loan. The self-catering accommodation sleeps six people and proves to be a valuable income stream for the enterprise.

Although there is a kitchen in the pub, the enterprise has not ventured to serve its own food on a regular basis. It is recognised that considerable investment is required to do so effectively and that there are significant risks associated with such business activity. Instead, occasional (pop-up) food providers are welcomed as part of the pub's offer. However, the kitchen is there and is needed to support events hosted by community and voluntary groups.

The business has grown continuously over the past three years, despite the challenges of COVID-19. The enterprise's latest annual report indicates a turnover for the year to September 2021 of £106,103, showing a post-tax profit of £23,068 and net assets of around £450,000. While volunteers are a central part of the cultural activities and arrangements, staff are employed to maintain the business aspects of the initiative such as staffing the bar and servicing Capel Bach. One person is currently employed on a full-time basis and a further three part-time (2022).

6.2.3 Organisation and management

As a Community Interest Company Menter y Plu has a current membership of 340 individuals, the majority of whom are local residents.¹¹ Unlike a number of similar initiatives, Tafarn y Plu employs a dual system of organisation, which distinguishes between the commercial and cultural aspects of the initiative.

The initiative has three directors on its board, a Chairman, a Secretary and a Treasurer - the minimum allowed by the FCA. In addition, however, the local County Councillor is given input in an observer role and is consulted with, on behalf of the community, by the three directors. The directors can also turn to around half a dozen or more local shareholders on a voluntary basis when practical help is needed.

The three directors ensure the sound financial management of the enterprise and its commercial prosperity. They deal with staffing issues, keep track of the cash-flow, and keep a strategic view of the business in the long term. All three have relevant experiences and skills, including business management, project implementation and IT systems implementation. The directors hold that the arrangement ensures a firm but flexible focus on the business aspects of the enterprise, avoiding the risk of the enterprise being encumbered by unnecessary bureaucracy.

¹¹ Annual Report September 2021, FCA.

Although its focus is firmly on the commercial aspects of the initiative, the directors are also very alert to their community responsibilities and the fact that they are accountable to the CIC membership and the wider community as a whole. This is reflected in the second aspect of the organisation.

6.2.4 Involvement with the community

Community involvement is absolutely core to Tafarn y Plu's vision. The responsibility for maintaining the social and cultural vitality of the initiative lies with a voluntary committee of around 12 individuals, who are prominent community leaders in the area. Simply put, the pub is made available to them, their local organisations and groups, along with others, to use free of charge.

A full and lively programme of events, classes and interest groups use the pub as a meeting place, as the initiative's *Facebook* page demonstrates.¹² The voluntary committee organises a full and wide-ranging programme of events, e.g., musical events (gigs), Welsh classes for adults, a reading club and IT classes. The pub has a darts team and the venue is also used by organisations such as Urdd Gobaith Cymru, Mudiad Meithrin, Hunaniaith (Gwynedd's language initiative) and the Cemetery Committee. Maintaining and promoting the local Welsh culture in an organic and inclusive manner is central to the vision.



Furthermore, the piece of open land behind the pub has been turned into allotments for use by members of the community and includes a purposeful 'polytunnel'. The first crop is expected this year and the intention is to share the food among the villagers and to use the vegetables to hold communal evenings of soup and song (*cawl a chân*).

This dual model – with its clear division between the business functions and the social activity – seems to work well, allowing local individuals to contribute according to their interest and strengths. The model also allows various community leaders to get on with creating a communal vibe and vivacity that is such a key element of the initiative's vision and mission without direct commercial constraints.

6.2.5 Lessons learned

Based on the experiences of the last four years, one of the directors noted that they have learnt the following lessons, among others:

- keeping the financial control of the enterprise tight, with a clear commercial focus;
- keeping the business responsibilities of the enterprise limited to a small number of directors, enabling them to act and respond to situations that arise flexibly and efficiently;

¹² [\(3\) Menter y Plu | Facebook](#)

- ensuring that the community's voluntary ownership grows organically from the vitality of the local culture, offering the pub as an open platform for their wishes (literally so, due to the development of the open-air stage);
- resisting the temptation to provide and serve food directly to the public.

6.2.6 The Future

Menter y Plu is a young enterprise - less than 4 years old. Despite this it has managed to establish itself successfully in a short period and in challenging times. The two adjacent buildings bought - the pub and the holiday accommodation - complement each other. The purchases have ensured that Tafarn y Plu provides a sound platform for lively and vibrant communal and cultural activity. Menter y Plu has succeeded in protecting a key social resource within the neighbourhood.

However, there are already plans for the future. The initiative intends to turn old stables attached to the pub into offices to house local businesses and/or 'hot desks' for freelancers. In the medium term the initiative is also considering turning the top floor of the pub into a flat for local people to rent.

The initiative has been an inspiration to the local community but has also triggered similar initiatives in neighbouring areas. Menter y Plu seems to be flying!

More information about Tafarn y Plu and the other aspects of the business can be found here: [Menter y Plu \(wordpress.com\)](http://Menter y Plu (wordpress.com)).

7.0 An evaluation of Tafarn Cymunedol Dyffryn Aeron Cyf.'s Business Plan

7.1 Introduction

7.1.1 The Requirement

In the brief set by Cynnal y Cardi IAITH was asked to carry out a short evaluation of the initiative's current Business Plan, suggesting possible improvements in terms of vision and activities in the light of the other tasks.

In the meantime, the work was undertaken at the same time as the initiative's Board of Directors was preparing a significant application for the attention of the United Kingdom Government's Community Ownership Fund. With that as context and as a result of the discussions of the steering group, the task was refocused slightly to evaluate the Business Plan against the requirements and criteria of that fund in terms of business planning. Moreover, IAITH were tasked with identifying the strengths of the original plan together with any gaps that would need to be filled before the company submitted an application to the attention of the fund.

That, therefore, is the main focus of this study. Furthermore, four general recommendations are presented to the attention of the board of directors based on this study and the other tasks carried out during the course of the commission in general.

7.1.2 Evidence

The documents examined for this particular task were:

- Menter Tafarn y Dyffryn: Business Plan.¹³
- The Vale Share Offer.¹⁴
- Financial projections – namely the capital programme, profit and loss forecast, cash flow forecast and balance sheet forecast for 2021-2026.
- Monthly profit and loss account together with cash flow statement for the period 6/5/22 – 6/6/22.
- Prospectus¹⁵ and the Local Prosperity Fund Application Form.

The consultant has also attended three meetings organised by some of the initiative's directors to discuss current developments.

7.1.3 The Community Ownership Fund

The Community Ownership Fund (COF) is a fund established by the UK Government as part of its policy objective to level-up the nations and regions of the UK. It is administered by the UK Government's Community Prosperity, Housing and Communities Department.

The Community Ownership Fund is a £150 million (£7.1 million in Wales) fund which is open for four years and supports community groups across Wales, England, Scotland and Northern Ireland to take ownership of assets that are at risk of being lost to the community. It is part of a significant

¹³ [2-Cynllun-Busnes-Y-Vale.pdf \(tafarn.cymru\)](#)

¹⁴ [Cynnig Cyfranddaliadau Y Vale_Cym_v4 \(tafarn.cymru\)](#)

¹⁵ [Levelling Up Fund Round 2: prospectus - GOV.UK \(www.gov.uk\)](#)

package of 'levelling-up' interventions across the UK, helping to support recovery, foster opportunities and empower communities to improve their localities.

The fund sees value in local facilities and local ownership of those facilities. The fund considers that community ownership of assets can be a catalyst for bringing people together and helping communities to thrive. The Community Prosperity Fund will support local people to save local community assets and amenities that are at risk of being lost to the local community.

The fund is open to community groups across the UK. Communities applying to the fund should have a strong vision for the long-term future of the asset, its purpose and potential in community life, together with a plan for how the asset can thrive under community ownership .

At the end of May 2022 the fund launched a prospectus, which has been updated, together with guidelines for realising the latest criteria, with the intention of opening a third new application period at the beginning of June. The fund intends to administer at least eight more rounds in the next four years.

The fund offers three elements – (a) a capital grant to purchase or restore community buildings up to £250,000 from the introduction of matched funds, (b) revenue funding for the payment of professional and technical support fees, and (c) in some cases, funding for up to a year to maintain project support in order to ensure the stability of the development.

a) COF Model Business Plan

In the fund's current application form there are detailed guidelines as to what is expected of them in terms of the content of any applicant's business plan. The guide includes the following elements:

- Project costs.
- Capital costs.
- Revenue costs.
- Total funding requested (capital costs + revenue costs).
- Details of match funding.
- Funding you have already secured.
- Funding that you still need to secure.
- Timetables for securing the unsecured match funding.
- An independent valuation of the asset (if you intend to buy it).
- Your most recent audited accounts covering the last 3 years.
- Completed or proposed feasibility studies.
- Planned activities or services that will take place within the community asset.
- Financial forecasts, including:
 - sources of income,
 - costs with a set of assumptions based on evidence,
 - an explanation of the use made of and the need for revenue funding,
 - cash flow.
- Proposed skills or resources required to manage the asset.
- Risks and mitigation measures being considered.
- Relevant experience of delivering similar projects previously.
- Any relevant project management expertise.
- Roles you intend to recruit to help you manage the asset.
- Governance and membership structures.
- Your board members, including their:
 - role,
 - main responsibilities,
 - management group - any professional advisers who support the group.

The report below uses the above headings to weigh up the content of the initiative's business plan together with the related financial plans. This is done in table form. In the right column of the table is noted the need to pay attention to specific elements, using a scale of red, yellow and green traffic lights.

In that column, 'green' denotes aspects that are in place or that need minor revision; 'yellow' indicates text that needs a little more attention and additions; 'red' signals text that needs significant changes or text that needs to be created anew.

b) The Application Form

In addition to preparing a business plan the fund's (COF) application form requires information about a number of other aspects of the proposed venture. Those aspects include:

- A description of the asset and the use made of it, together with the significance of the asset to the local community.
- Why there is a risk that the community may lose the use of the asset.
- A brief summary of the project, indicating the purpose of purchasing or leasing the building.
- The use that has been or will be made of the building and what benefit will come to the community as a result.
- A description of the impact on the community of the loss of the community asset.
- Why community intervention is needed to protect the asset.
- A description of how the community was engaged and how that informed the plans of the initiative.
- A description of fund-raising activities.
- A description of how local people were included in the plans for the initiative.
- The initiative's part in wider schemes and partnerships.
- Evidence of community support - surveys, public meetings, statements of support etc.
- A description of how environmental sustainability was taken into account.
- A description of how the initiative will involve the community in managing the project into the future.
- A description of how it is ensured that the project (a) does not prevent people from participating, (b) ensures that the project is accessible and inclusive, and (c) brings people from across the community together; identifying community benefits brought about by the project.
- Detail how the project will secure and maintain some or all of the following community benefits [key desired outcomes of the fund] through community ownership:
 - Community pride and people's perceptions of the area as a place to live.
 - Social trust, community cohesion and a sense of belonging.
 - Participation in community life, the arts, cultural events and sport.
 - Local economic outcomes, such as employment and volunteering opportunities, employability and skills.
 - Positive impact in terms of physical and mental health, reducing loneliness and social isolation.
- A description of the area, including relevant data; identify its needs and the challenges it faces and how the asset can help to solve them, with specific attention to protected features.
- A statement regarding the relevance of the Subsidy Control Act (2022) and how the initiative will comply with the seven central principles of the act.

We have offered comments on the above elements in the same manner as in relation to the Model Business Plan.

7.2 The Evaluation

7.2.1 Menter Tafarn y Dyffryn: Business Plan

The original business plan was prepared during September and October 2001 and was adopted by the Board of Directors on 20 October 2021, with the intention of it being the basis of the prospectus published to attract potential shareholders. It is a substantial and detailed document that offers a complete picture of the initiative's initial intentions. The business plan includes the following sections:

- The vision and values of the initiative.
- Executive summary.
- An introduction that outlines the background of the initiative, the need for the project and the wider context.
- A description of the local area, potential customer base and local competitors.
- A description of how the pub would relate to its community.
- An outline of the architectural intentions.
- Financial plans.
- Intentions in terms of marketing and promotion, especially in terms of promoting the shares.
- A description of the governance of the enterprise.
- A section on risk management.
- A recommendation and various appendices.

There are many ways and means of drawing up a business plan - it is a craft rather than a science. The original document has fully met the requirements of the initiative during the establishment period. But as Section 2.4 of the plan states such a document needs to be reviewed and revised continuously. The board now needs to adapt and refine it to meet the requirements of this particular fund (COF). It will undoubtedly need to be reviewed again to meet the specific requirements of other potential funders in due course and to reflect changes in the scope and nature of the business.

7.2.2 Comparison against the Model Business Plan

The framework of the model business plan offered by the fund can be divided into four parts:

- financial matters,
- aspects of project planning,
- the management function of the project, and
- the governance of the CIC.

We offer comments against each aspect below, addressing further operational needs by means of a 'traffic light' system - red, yellow and green - as explained above.

a) Financial

Attitudes	Comments	Action R/Y/G
Project costs	A rough outline of the project's costs can be found in Section 6 of the initiative's Business Plan.	
Capital costs	Furthermore, the costs of the purchase, together with the approximate proposed construction and restoration costs, are set out in the capital programme projections and the initiative's balance sheet.	
Revenue costs	However, based on evidence obtained from discussions in recent meetings and consultations it is suggested that it is timely for members of the Board of Directors to have more sound knowledge of the key aspects of the composite project and the costs associated with those aspects. Specifically, those elements would include:	
Total project costs	<ul style="list-style-type: none"> • the nature and true likely cost of the plans to restore and modify the existing building, erect a new toilet block and kitchen and any modifications intended for the car park, the beer garden etc., together with any staffing element needed to supervise the work; • the pub's commercial costs (bar and food), including any likely staffing costs – having now traded for a few months it is possible to base those assumptions on current evidence; • any costs relating to the project's social and cultural engagement programme, including any relevant staffing costs in terms of maintaining and promoting that programme (apart from the commercial aspects of the enterprise). <p>Those costs should be projected over a period of 3 years (at least) and ideally up to 5 years hence.</p> <p>It is suggested that the directors structure their financial plans in accordance with the three aspects above in order to provide clarity for potential funders, to ensure focus for their various applications and for the effectiveness of their financial management and, indeed, the management of the entire project.</p>	
Details of match funding	Details of match funding available to the project are known to the Treasurer and the other directors. Following the success of the share offer it is suggested that the relevant information in the Business Plan and the related spreadsheets needs to be updated.	
Funding you have secured	As above, details of the funds that have been secured are available from the Treasurer and other directors. It is suggested that the relevant information in the Business Plan should be updated and the document reviewed as new funding is secured for the future.	

Funding you need to secure	Again, there is a broad reference to different potential sources of funding in Section 6 of the Business Plan and one of them is included in the financial forecasts of the 2022/23 capital programme.	
Timetables for securing the unsecured match funding	<p>However, it is suggested that this aspect of the plan should be reviewed, identifying potential sources of income more directly against specific aspects of the project. The priorities of grant sources can differ greatly in terms of the type of funding allocated and the type of activities they support. (See the document prepared for the committee outlining possible sources).</p> <p>It is suggested, therefore, that the directors need to be more precise about the amounts they hope to attract from specific sources in order to support different aspects of the project, e.g., the purchase, the restoration and construction work, engagement projects, activity programmes, commercial staff salaries and development staff salaries etc.</p> <p>Moreover, it is suggested that there is a need to be more detailed about the timetables of the different funding sources set against the operational requirements. The directors already have an appropriate framework for doing this but it needs to be refined.</p>	
An independent valuation of the asset (if you intend to buy it)	<p>Although the consultant is aware of the price agreed with the current owner for the purchase – it was stated in the original Business Plan – he has not seen an official valuation of the asset. It is understood that one of the committee members is currently arranging this element via a local housing agent.</p> <p>It is suggested that an independent valuation of the enterprise's resources, equipment and stock should also be included.</p>	
Your most recent audited accounts covering the last 3 years	<p>As the enterprise (at the point of writing) has not yet been established for a full year (9 August 2021) no annual financial accounts are available. In order to mitigate any risk that may arise from that fact, it is suggested that the committee prepare a set of quarterly (or monthly) management accounts which will provide evidence of sound financial management along with the financial viability of the initiative for the attention of any potential funder.</p> <p>Moreover, it is suggested that the enterprise tries to publish its first annual accounts at the earliest opportunity.</p>	

<p>Financial forecasts, including:</p> <ul style="list-style-type: none"> ○ sources of income ○ costs with a set of assumptions based on evidence ○ an explanation of the use made and the need for revenue funding ○ cash flow 	<p>As stated above, the committee has a detailed and thorough document detailing the financial prospects of the enterprise, based on the valuable expertise and experience of one of the directors.</p> <p>However, it is suggested that the documentation needs to be reviewed based on the comments above and any new information that comes to light regarding the nature of the plan, highlighting the three aspects of the composite project, identifying various sources of funding against each and mapping them against reasonable time-lines.</p>	
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b) Planning the project

Attitudes	Comments	Action R/Y/G
<p>Feasibility studies completed or planned</p>	<p>The consultant has not seen a specific feasibility study for the project. The original Business Plan has been prepared mainly as a basis for the prospectus published when the share offer was released.</p> <p>Rough architectural plans have been prepared by the CIC's Secretary (who's an architect) and they were received very positively at a consultative meeting held in the pub on 6 July. However, those plans need to be refined and costed to ensure that the directors are able to identify and agree on realistic costs for the restoration and construction aspects of the project. This is essential in order to be able to plan the project effectively in terms of finance and implementation.</p> <p>Secondly, the commercial feasibility of the composite project needs to be analysed, establishing sound assumptions for future trading. With the initiative having been trading as a pub for a few months, this can now be done on the basis of sound evidence. A number of scenarios could be developed to test the feasibility of the commercial element.</p> <p>It is suggested that some further work needs to be done to gather solid projections of costs and income and to test the assumptions regarding the feasibility of the composite project.</p>	
<p>Planned activities or services that will take place within the community asset</p>	<p>Added to the above, if the composite project is to include a programme of social and cultural activities, (and that appears to be desirable and attractive to potential funders and to the community alike) it is suggested that it is necessary for the initiative to start confirming the type of plans and activities that are intended to be held in the pub. That could be done in part on the basis of the most recent community survey commissioned on behalf of the initiative. It will be necessary to calculate any costs (staffing costs,</p>	

	promotion costs, resources etc.) that would be required to run that model programme, identifying where the funding to run them will come from. That element could be a third element in a composite feasibility study.	
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b) Project management

Attitudes	Comments	Action R/Y/G
Proposed skills or resources required to manage the asset	Section 9.1 of the Business Plan offers brief pen portraits of each of the initiative’s directors. The pen portraits are easy to read and are written in an informal style. However, from personal knowledge of many of these individuals there is a wealth of experience, skills and specialties among them that are not listed. It is suggested that this section should be revised to meet the requirements of the fund, with more detail added about the skills and professional experience of the individuals. A more direct style and language should also be adopted to convey those skills and experiences in a clear manner – especially in terms of project planning and management. The pen portraits could easily be extended to 2 or 3 paragraphs each.	
Relevant experience of delivering similar projects before		
Any relevant project management expertise		
Roles you intend to recruit to help you manage the asset	<p><u>Capital:</u> The capital aspect of the project will surely need to see the employment of a team of professionals from the architectural field – eg an architect, QS, a mechanical and electrical specialist, a construction company etc. It is suggested that the plan should be more specific about these intentions.</p> <p><u>Commercial:</u> With regard to the commercial aspect, it is understood that the enterprise has recently advertised for a commercial manager with the intention of appointing to post soon. It is suggested that the member of staff and the related employment costs should be included in the business plan.</p> <p><u>Project management:</u> It is not known if there is an intention to seek a grant to employ other individuals to assist the directors in setting up the composite initiative, eg a Project Management Officer (short-term) or a Community Engagement Officer (medium-term or longer). It is suggested that the Directors need to discuss those intentions soon and include them in the Business Plan.</p>	
Risks and mitigation measures being considered	There is a section on risk management in Section 10 of the Business Plan. It includes a SWOT analysis, which is an useful planning tool. Often, a relationship can be seen between risks to an enterprise or business and what is identified as a threat to the	

	<p>business in a SWOT analysis. Furthermore, 6 aspects are listed which are considered to be risks to the business.</p> <p>It is suggested that this section should be substantially revised, in order to be more specific about the risks that could face the business. Those risks could be classified under the following headings: strategic, legal, financial, compliance, operational, reputational, human affairs, security, competition and risks to the structure and property of the enterprise.</p> <p>Mitigation measures for each identified risk should be identified. The risks could also be identified, scored and prioritised in the form of a risk matrix that would measure the risks identified against the probability that the risk will become a fact and the impact of the risk on the business if it does materialise.</p>	
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d) Governance

Attitudes	Comments	Action R/Y/G
Governance and membership structures	<p>Tafarn Cymunedol Dyffryn Aeron Cyf. is registered as a Community Interest Company with the Financial Conduct Authority (FCA).</p> <p>A description of the initiative's Governance structures can be found in Section 9 of the original business plan. 13 individuals are described as members of the Steering Committee. It is assumed that this by now refers to the Board of Directors of the association.</p> <p>Two officers are identified among them - a Secretary and Treasurer. However, it is not listed that the initiative has a Chair as required under Clause 95 of the association's constitution.</p>	
<p>Members of your board, including their:</p> <ul style="list-style-type: none"> ○ Functions ○ Main responsibilities ○ Management group - any professional advisers who support the group 	<p>It is known that some individuals among the members of the Board carry out specific tasks on behalf of the Directors, e.g., aspects of IT, financial management, promotion and marketing. It would be useful to explain these functions and responsibilities in the Business Plan.</p> <p>There is also no note in the current plan regarding the number of current shareholders, namely members of the community interest company, as the document was drawn up before the public offer.</p> <p>Section 9.2 states that the Steering Committee (the Board of Directors) is keen to extend ownership and promote participation in the initiative by means of 6 sub-committees. It is not clear whether the members of these sub-committees are the Directors, members</p>	

	<p>of the association, volunteers from among the community or a combination of all three categories.</p> <p>There is also no mention of the number of volunteers - members and other individuals who are not members - who are now involved in the work and activities of the initiative - 9 months since the document was drawn up.</p> <p>Consideration could also be given to identifying any individuals who support the Board with its functions in a professional role, e.g., lawyers, accountants and various business consultants.</p> <p>It is suggested that the Directors review this section of the business plan, by providing more clarity regarding the structure of the organisation, together with the functions and responsibilities of individuals and groups involved in the enterprise in various contexts.</p>	
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7.3 Assessment of the Business Plan against the rest of the CPF application form

Below we set out a simple assessment of the text found in the original Business Plan and recent documentation produced against the rest of the Community Ownership Fund (COF) application form in the hope that it will be a useful exercise for the directors when preparing their application.

Again, the traffic light system used above is utilised where 'green' denotes aspects that are in place or that need minor revision; 'yellow' indicates text that needs a little more attention and additions; 'red' signals text that needs significant changes or text that needs to be created anew.

Attitudes	Comments	Action R/Y/G
A description of the asset and the use made of it, together with the significance of the asset to the local community.	<p>Although Section 5 of the Business Plan outlines the intentions in terms of 'Renovation and remodelling' the building there was no description of the physical dimensions and nature of the pub as it is or as it is envisaged in the future.</p> <p>The 'Vision and Values' Section offers rich material for explaining the significance of the pub to the community.</p>	
Why there is a risk that the community may lose the use of the asset.	The reason is evident and stated in Section 1.1. of the plan.	

A brief summary of the project, indicating the intention to purchase or lease the building.	Section 1 of the Business Plan. The 'The journey so far' document.	
The use that has been or will be made of the building and what benefit will accrue to the community as a result.	Section 1.1., 2.2 are relevant but more attention should be paid to the social benefit brought about by the initiative.	
A description of the impact of the loss of the community asset on the community.	Section 3 of the Business Plan. Survey of Community Resources (IAITH).	
Why community intervention is needed to protect the asset.	The reason is evident and stated in Section 1.1. of the plan.	
A description of how the community was engaged and how that informed the plans of the initiative.	Section 4 of the business plan + IAITH's Community Survey .	
A description of fund-raising activities.	The 'The journey so far' document'.	
A description of how local people were included in the plans of the initiative.	Section 4 of the business plan + IAITH's Community Survey .	
The initiative's part in wider schemes and partnerships.	Section 4 of the business plan.	
Evidence of community support - surveys, public meetings, statements of support etc.	Section 4 of the business plan + IAITH's Community Survey. Perhaps it would be expedient to summarise, paraphrase and create new text to meet the requirement.	
A description of how environmental sustainability was taken into account.	Details can be found in Section 5.4 of the business plan. It is suggested that this should be reviewed against the latest architectural plans, including any plans that the activity sub-groups have.	
A description of how the initiative will involve the community in managing the project into the future.	The basics are listed in Section 9 of the business plan. It is suggested above that this section should be revised, highlighting how the community will be involved in the future.	
A description of how it will be ensured that the project (a) does not prevent people from participating, (b) ensures that the project is accessible and inclusive, and (c) brings people from all parts of the community together; identifying community benefits brought about by the project.	It may be necessary to create new text to cover this aspect.	

<p>Detail how the project will secure and maintain some or all of the following community benefits [key desired outcomes of the fund] through community ownership:</p> <ul style="list-style-type: none"> ○ Community pride and people's perceptions of the area as a place to live. ○ Social trust, community cohesion and a sense of belonging. ○ Participation in community life, the arts, cultural events and sport. ○ Local economic outcomes, such as employment and volunteering opportunities, employability and skills. ○ Positive impact in terms of physical and mental health, reducing loneliness and social isolation. 	<p>These are the core principles of the grant scheme and specific text will need to be prepared to ensure that the fund can be convinced that the project would bring about these desired results.</p>	
<p>A description of the area, including relevant data; identifying its needs and the challenges it faces and how the asset can help to answer them, with specific attention to protected features.</p>	<p>Section 3 of the business plan + Profile of Dyffryn Aeron Community Resources (IAITH).</p>	
<p>A statement regarding the relevance of the Subsidy Control Act (2022) and how the initiative will comply with the seven central principles of the act.</p>	<p>New text will need to be drawn up to meet these requirements.</p>	

8.0 Recommendations

As a result of the above evaluation (7.0), together with the lessons learned as a result of the other aspects of the contract, and especially the two case studies, the following recommendations are presented to the attention of the directors for their consideration as the initiative plans ahead for the future.

It is recommended that the Board of Directors of Tafarn Cymunedol Dyffryn Aeron Cyf. should:

- review the business plan and the financial planning tools in accordance with the suggestions noted above and that they continue to review them in future, from time to time, in order to reflect changes in the business itself and the varying requirements of potential funders;
- ensure agreement on a three-part composite project plan which highlights and links the following aspects:
 - (a) the restoration of the pub and the building of new utilities,
 - (b) the commercial activities (bar and food), and
 - (c) a programme of community activities which promote social engagement locally and ensures the desired outcomes of various funders;
- pay attention to the society's governance structures and practices, including appointing a Chair (and other possible officers) in accordance with the society's constitution, formally recognising the roles and responsibilities of individual directors, and ensuring that the society's business decisions are clearly recorded and processed;
- build on the current management structure, and the means of expanding ownership proposed by the six sub-committees, being clear as regards how the society's members, its various partners and other individuals who are not members of the community interest company, link into the society's decision-making structures; and finally,
- contracting with an independent business consultant from time to time to ensure that the Directors are constructively challenged in their functions and responsibilities and take advantage of relevant and up-to-date information and advice on an ongoing basis.

We wish the CIC and its exciting venture every success for the future.

Gareth Ioan
IAITH Cyf.
August 2022