



### **Community Benefit Principles:**

1. Community benefits are provided for all new renewable developments with an installed capacity of 5MW or more;
2. Community benefits proportionate to the scale of the development are encouraged for new commercial renewable developments with an installed capacity between 50kW<sup>1</sup> and 5MW. Each case should be looked at on its own merits.
3. Community benefit<sup>2</sup> in relation to onshore wind is equivalent to at least £5,000 per megawatt of installed capacity per annum;
4. The community benefit<sup>2</sup> for other forms of onshore renewables is based on providing a contribution equivalent to £5,000 per megawatt of installed capacity per annum unless it is demonstrated that the economics of the development make this unviable;
5. All community benefit payments should be index linked to ensure that annual payment levels are increased in line with inflation;
6. A community investm



Start community benefit from the start of the construction period for the main element of the renewables project (although payments could be deferred until the site is operational);

Include a facility to enable projects to be funded for several years or for large projects to be funded by making advanced, aggregated payments when possible and if requested by the community;

Ensure community benefit arrangements will be honoured should the site be sold;

Argyll and Bute Council considers that there is a case for forging strong long-term



relationships with renewable energy developers in order to ensure that maximum benefit is delivered to local communities. The 2005 Policy sought to secure this through the drawing up of a Strategic Concordat (a joint working agreement between the Council and the developer) following grant of planning consent for a renewable energy proposal.

The concordat typically lasts several years and can extend to cover a number of renewable developments. The concordat includes details of the community benefit fund arrangements, including level of payments, which would apply to any future developments. It seeks to maximise the

benefit to local communities and the local economy through a range of different activities which can bring mutual benefits to the developer and the community. These have included renewable energy resource assessments, support for a schools energy education officer and the promotion of green energy projects. A parallel can be drawn with the relationship between the Shetland and Orkney Islands and the oil industry.

There are concordats in place with a number of developers and these have secured the delivery of wider local economic benefit. The concordat approach will be continued.

### Communities are encouraged to:

Be aspirational – this is an excellent opportunity to make a difference not only to your local area but also to the wider community.

Create a community investment/development plan to provide a strategic view of community priorities including links to other communities across the region or sub region with a focus on contributing to the outcomes set out in the [Single Outcome Agreement](#) and addressing key issues including support for community facilities and organisations, job creation or new businesses, improving skills of local people, support for tourism or other key economic sectors and addressing issues of rural isolation and fuel poverty.

This may identify support to key facilities/services.

Any plan should be sustainable and give full consideration to meeting the ongoing revenue liabilities related to maintaining services and facilities in the long-term including in the period after community benefit payments have ceased.

The plan should be reviewed periodically to reflect changing circumstances and needs.

Create a robust governance structure to administer community benefit funds which includes open and transparent allocations of funding. Argyll and Bute Council, third party

organisations such as Foundation Scotland and Local Energy Scotland, and some developers may be able to assist in this;

Create a decision making process which is fair, transparent and proportional to grant amount with any assessment criteria publicly available;

Seek representation from all sectors of the community on community benefit fund administering bodies to make them as inclusive and representative as possible;

Report on the operation of the community benefit fund and how funds have been distributed annually with a five yearly review to ensure it is operating effectively, maximising benefit and delivering the community investment/development plan;

Seek match funding where possible to maximise the benefit received;

Consider long-term aims of the community including whether to invest some of the fund to buy into the commercial renewable project or alternatively to develop your own renewable project to provide an additional income. The community investment plan may identify this as an action or opportunity;

Work with neighbouring communities where funds and/or projects are operating across administrative boundaries;

This guidance is designed to relate to community funds associated with commercial developments however some of the principles will apply equally to funds derived from renewable projects owned solely by the community with the principal difference being that community projects will usually provide all surplus funds as community benefits.

### **Argyll and Bute Council:**

Offers guidance to local community groups on appropriate governance of community benefit

Maintains a Wind Farm and Renewables Trust which can form the governance structure for community organisations free of charge. The minutes of the Trust can be found at <http://www.argyll-bute.gov.uk/moderngov/ieListMeetings.aspx?CId=449&Year=0>;

Offers support to community groups who are preparing Community Investment/ Development Plans or involved in consultation and engagement with their community through our Social Enterprise (<http://www.argyll-bute.gov.uk/community-life-and-leisure/contact-social-enterprise-team>) and Community Development Teams (<http://www.argyll-bute.gov.uk/community-life-and-leisure/community-development>);

Maintains details of community benefit funds operating across Argyll and Bute and makes these available at <http://www.argyll-bute.gov.uk/planning-and-environment/renewable-energy>

This Guidance is prepared to align with Scottish Government Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments and its purpose is to secure the maximum economic and community benefit for Argyll and Bute communities.

### Further Reading

Scottish Government Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments - <http://www.localenergyscotland.org/developers/good-practice-principles/>

Good Practice Principles for Shared Ownership of Onshore Renewable Energy Developments - <http://www.localenergyscotland.org/developers/good-practice-principles/shared-ownership/>

Community Energy Policy Statement - <http://www.scotland.gov.uk/Publications/2014/08/1223>

Investing in your community - A guide to managing community funds - <http://www.hie.co.uk/community-support/managing-community-funding/>

Community Renewables Opportunity Portal <http://www.argyll-bute.gov.uk/crop-introduction>

Onshore Wind Community Benefit Protocol - <http://www.scottishrenewables.com/technologies/onshore-wind/>

Renewable energy on Scotland's National Forest Estate - <http://scotland.forestry.gov.uk/managing/work-on-scotlands-national-forest-estate/renewable-energy>

Scottish Government Register of Community Benefits from Renewables - <http://www.localenergyscotland.org/view-the-register/>

Firm Foundations - <https://www.foundationscotland.org.uk/community-benefit/platform-for-dialogue/c>