#### **ARGYLL AND BUTE COUNCIL**

#### **Policy & Resources Committee**

#### **Development and Infrastructure**

14 May 2015

## Review of the Argyll and Bute Guidance on Community Benefits from Onshore Renewable Energy

#### 1.0 EXECUTIVE SUMMARY

- 1.1 Following the meeting of the Policy and Resources Committee on 5 February 2015, a 4 week period of consultation has been held in relation to the draft Framework on Community Benefits from Onshore Renewable Energy. The consultation was widely publicised and 49 responses were received. A summary of these responses can be found at Appendix 4 and the comments received have been used to update the principles. A copy of the proposed guidance can be found at Appendix 2.
- 1.2 It is recommended that Policy and Resources Committee
  - 1. Notes the contents of this report and the consultation and review process which has been undertaken;
  - 2. Approves the updated Guidance contained at Appendix 2.

#### **Development and Infrastructure**

14 May 2015

# Review of the Argyll and Bute Guidance on Community Benefits from Onshore Renewable Energy

#### 2.0 INTRODUCTION

- 2.1 Community benefit payments derived from renewable energy represent a significant opportunity for communities as they offer a long-term source of funding to support community and economic development over the life of the development, which in the case of wind is usually 25 years. The Council's current policy was approved in 2005 and is in need of review.
- 2.2 A draft revised Framework for Community Benefit from Onshore Renewables was put to Policy and Resources Committee on 5 February 2015, a copy of the report can be found at Appendix 1. Following the agreement of the Committee, a period of consultation followed with communities and developers. This report advises on the changes proposed as a result of the consultation and requests that the revised guidance is approved.

#### 3.0 RECOMMENDATIONS

- 3.1 It is recommended that Policy and Resources Committee
  - 1. Notes the contents of this report and the consultation and review process which has been undertaken:
  - 2. Approves the updated Guidance contained at Appendix 2.

#### 4.0 DETAIL

- 4.1 Prior to preparing the draft guidance, discussions were undertaken with community organisations, through a seminar focusing on maximising the impact from community benefit, and the Argyll and Bute Renewable Alliance (ABRA). The seminar was attended by over 70 representatives from local community organisations and developers having been widely advertised to community councils, development trusts and local third sector organisations. Using information obtained through the seminar, ABRA and the recent Scottish Government guidance, a draft document with a list of recommendations which should be considered by both developers and communities was produced.
- 4.2 It is felt that guidance for community benefit for onshore renewable would be the most appropriate approach. The development of guidance as opposed to a policy approach allows each developer the flexibility to use a different model and acknowledges that each community differs in regard to capacity, needs and aspirations. Whilst initially described as a framework, consultation responses indicated that this was still too rigid. It is considered that guidance provides a much more flexible approach and can also incorporate best practice guidance to communities and developers alike.

- 4.3 Following approval by the Policy and Resources Committee in February 2015, a four week consultation period was commenced in relation to the draft guidance. This timescale was felt to be proportional to the document and realistic to enable organisations to formulate a response.
- 4.4 Notification of the consultation was circulated widely including a direct email to all community councils, Argyll and Bute Councillors, all those who attended the 2014 seminar, members of ABRA and members of the Community Planning Partnership. The consultation was also listed on the main consultations page on the Council's website as well as being publicised through a press release, on social media and via the Social Enterprise Team's Info Alert.
- 4.5 Responses were requested on an online form (see Appendix 3) which sought confirmation from respondents regarding whether or not they supported the recommendations set out within the draft guidance. There were also several open questions which enabled respondents to make additional comments or recommendations as they felt appropriate.
- 4.6 A total of 40 online responses were submitted as well as a further 9 email responses. A summary of the responses can be found at Appendix 4.
- 4.7 Whilst changes were requested across the document, the element against which we received the most comments was the proposal that a proportion of the funds should be used for wider regional or sub-regional benefit, which would relate to a wider area which could include a local service centre. In some instances there was an assumption that the regional/sub-regional element was mandatory and that the communities would have no control over how this is distributed. It was not the intention of the document to imply this and as a result of the consultation the regional element has been made more flexible and the role of communities in determining the best way to achieve this wider benefit has been emphasised. It is felt that it is still appropriate for the Council to advocate a regional or strategic element, where funds are of a scale to meet immediate local needs as well as allowing a wider geographical element, as community benefit could play an important part in delivering the wider community aspirations and the objectives of the Single Outcome Agreement if directed appropriately.
- 4.8 The summary of responses at Appendix 4 includes details of the individual issues raised including an indication of changes made to the document in response. Substantial changes have been made to the draft guidance as a result of the comments made from community organisations and developers.

#### 5.0 CONCLUSION

- 5.1 The current Council Policy on Community Benefits from Windfarms has become out of date and is in need of review. A period of consultation on the draft guidance has been completed and substantial changes have been made to reflect the responses received.
- 5.2 The Policy and Resources Committee are now asked to approve the Guidance in order that it can be used as the current Council guidelines for community benefit discussions.

#### 6.0 IMPLICATIONS

6.1	Policy	The guidance is in line with Single Outcome Agreement, EDAP and REAP. It also accords with the Scottish Government Good Practice Principles for Community Benefit from Onshore Renewable Energy Developments.
6.2	Financial	The Guidance seeks to maximise the community benefit derived from onshore commercial renewables.
6.3	Legal	None.
6.4	HR	None.
6.5	Equalities	None.
6.6	Risk	If the Guidance is not agreed then the level of community benefit realised from new developments may not be maximised.
6.7	Customer Se	ervice None.

#### **Executive Director of Development and Infrastructure Services – Pippa Milne**

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Policy Lead – to be confirmed

#### **APPENDICES**

Appendix 1 Report to Policy and Resources Committee 5 February 2015

Appendix 2 Argyll and Bute Guidance for Community Benefit from Onshore Renewables

Appendix 3 Online questionnaire

Appendix 4 Consultation responses summary

#### **ARGYLL AND BUTE COUNCIL**

**Policy & Resources Committee** 

**Development and Infrastructure** 

5 February 2015

# Review of the Argyll and Bute Guidance on Community Benefits from Onshore Renewable Energy

#### 5.0 EXECUTIVE SUMMARY

- 1.1 The main purpose of this report is to advise the Policy and Resources Committee of the work undertaken in reviewing and updating the current Council policy in relation to community benefit from renewable energy developments and to seek approval of the principles contained within the draft Framework. This will allow further consultation to be undertaken.
- 1.2 Community benefit payments derived from renewable energy represent a significant opportunity for communities as they offer a long-term source of funding to support community and economic development which will be provided over the life of the development, in the case of wind this would usually be 25 years.
- 1.3 The current policy on community benefit was approved in 2005 and is now outdated. Following discussions with the Argyll and Bute Renewable Alliance (ABRA), feedback from a recent public seminar and consideration of up to date Government guidance it is felt that a framework for community benefit for onshore renewable would be the most appropriate approach. The development of a framework as opposed to a policy approach allows each developer the flexibility to use a different model and acknowledges that each community differs in regard to capacity, needs and aspirations.
- 1.4 The draft Framework will provide guidance to developers and communities and seeks to maximise economic and community benefit as a result of renewable energy development across Argyll and Bute.
- 1.5 It is recommended that Policy and Resources Committee
  - 1. Notes the contents of this report and the review process which has been undertaken:
  - 2. Approves the principles within the draft Framework contained at Appendix 1.
  - 3. Agrees that the draft Framework is subject to a period of consultation with key partners and communities including Argyll and Bute Renewables Alliance (ABRA) and the Community Planning Partnership (CPP) with the final document being reported to appropriate committees for approval in Spring/Summer 2015.

#### **Development and Infrastructure**

5 February 2015

## Review of the Argyll and Bute Guidance on Community Benefits from Onshore Renewable Energy

#### 6.0 INTRODUCTION

- 2.1 Community benefit payments derived from renewable energy represent a significant opportunity for communities as they offer a long-term source of funding to support community and economic development over the life of the development, which in the case of wind is usually 25 years. As the payment levels per megawatt (MW) and the size of renewable energy developments increase so to do the community benefit funds. The funding provided to local communities through these payments offers them an important opportunity to support local organisations and facilities as well as developing a wider sustainable community over the longer term.
- 2.2 The Council's current policy was approved in 2005 and sets down a protocol whereby voluntary contributions will be sought from onshore windfarm developers on the basis of a recommended payment of £2,000 per megawatt (MW) of installed capacity. Based on information provided to us by the operators we understand that currently approximately £145,000 of community benefit payments are made across Argyll and Bute per annum (most are index linked). The payments are wholly voluntary and the levels and scale of payments vary across the developments. These are often reflective of the age of the development and associated start date of the fund with the earliest being in place from as far back as 1999. The individual funds are detailed in the table below.

Wind Farm	Value of Fund (yr 1 base rate)	Start Date	£/MW	Most Recent Income	Date
Beinn Ghlas, Taynuilt (16T - 8.4 MW)	£8,000 pa*	1999	£952.38	£12,165.50	2013
Beinn an Tuirc, Carradale (46T - 30MW)	£21,000 pa*	2001	£700	£30,646.99	2013
Deucheran Hill, Carradale (9T - 15.75MW)	£10,500 pa*	2001	£666.67	£15,804.19	2013
Tangy, Campbeltown (15T - 12.75MW)	£1,500 pa	2002	£117.65	£1,500	2013
Cruach Mhor, Glendaruel (35T - 29.75MW)	£21,000 pa*	2003	£705.88	£28,307.39	2013
Tangy 2 (7T - 5.9MW)	£7,140pa*	2006	£1,210.17	£13,414.63	2013
Clachan Flats, Cairndow (9T - 15MW)	£21,902*	2008	£1,460.13	£13,973.39	2013
An Suidhe (23T - 19.3MW)	£28,500*	2011	£1,476.68	£29,760.50	2013

<sup>\*</sup> Index linked

2.3 Community benefit in relation to onshore windfarms can help to support the outcomes identified in the Single Outcome Agreement (SOA) by providing

funding for communities to develop infrastructure (Outcome 2), support education and skills development (Outcome 3) and provide facilities which support Outcomes 4-6. Securing community benefit is in line with the Economic Development Action Plan (EDAP) (Sustainable economic Assets: Priority One - Renewable Energy) and the Renewable Energy Action Plan (REAP) which states that securing related benefits for the communities is one of four energy development priorities.

2.4 However much has changed since the policy was approved in 2005, in particular the standard rate of payment which has recently increased to £5,000 per MW. Scottish Renewables' Onshore Wind Community Benefit Protocol and the Scottish Government Good Practice Principles for Community Benefit from Onshore Renewable Energy Developments both advocate this higher rate of contribution as an industry best practice.

#### 7.0 RECOMMENDATIONS

- 3.1 It is recommended that Policy and Resources Committee
- 3. Notes the contents of this report and the review process which has been undertaken:
- 4. Approves the principles within the draft Framework contained at Appendix 1.
- 5. Agrees that the draft Framework is subject to a period of consultation with key partners and communities including Argyll and Bute Renewables Alliance (ABRA) and the Community Planning Partnership (CPP) with the final document being reported to appropriate committees for approval in Spring/Summer 2015.

#### 8.0 DETAIL

- 4.1 In order to update the policy a review was launched and the components of the review were agreed by the Argyll and Bute Renewable Alliance (ABRA) to include the following:
  - 1. Review the minimum level of contribution from onshore windfarm developments the minimum recommended contribution in relation to onshore wind is set to be increased to £5,000 as a widely accepted contribution proposed by both Scottish Renewables, as the industry representative, the Scottish Government and Forestry Commission Scotland.
  - 2. Review the distribution and application of funds (consider local and regional split) the 2005 policy advocates a 60:40 split in funds with 60% to go to the local community and 40% to ALI Energy to deliver a wider regional benefit as a result of the development. The concept of delivering a wider benefit is supported and it is proposed that where the value of funds is sufficient a split of up to 50% to a wider regional or sub-regional fund is made however ALI Energy is not always the most appropriate mechanism for delivering the wider benefit and therefore a number of mechanisms are proposed to ensure that a wider benefit is achieved.
  - 3. Review the need and mechanism to prioritise/capture local contracting the Framework is not felt to be the most appropriate mechanism to progress this although it is considered as part of the wider ABRA agenda.

- 4. Explore the opportunities for Community Investment community investment in commercial schemes is becoming more widely available and will be encouraged within the Framework to reflect the draft Community Energy Policy Statement issued by the Scottish Government.
- 5. Consider expansion of scope for inclusion of other renewable technologies the Framework will cover other renewable technologies although no defined payment level will be set £5,000 per MW is the preferred payment level.
- 4.2 The existing policy recognises the long-term relationship the Council wishes to have with the renewable energy companies operating in the area and to seek to maximise benefit to local communities and the wider Argyll and Bute economy. The principal approach in securing this long-term commitment from both parties is the development of a strategic concordat, a formal agreement between the Council and developer which identifies common priorities and areas for joint working linked to future investment and as well as the principles for community benefit payments from renewable energy schemes. Strategic concordats have been agreed with developers including Scottish Power Renewables and have proved successful in creating a close working relationship which delivers benefits for our communities.
- 4.3 In recognition of this success, the concordat approach remains the model through which the framework is being sought to be delivered.
- 4.4 More recently, the Council held a seminar focusing on maximising the impact from community benefit. The seminar was attended by over 70 representatives from local community organisations and developers. The seminar reiterated the need to update the Council's guidance on community benefit.
- 4.5 The principle issues arising from the seminar were:
  - The rate of payment for onshore wind should be increased as soon as possible;
  - Guidance is required for both developers and communities;
  - Community plans form an important tool to help communities plan for the long-term but can be challenging to develop, support is often required;
  - Community benefit funds should operate in an open, accountable and proportional way with decisions being made by the local community;
  - An element of regional funding, where funds are sufficient, is supported and can help to spread the benefits across a wider area;
  - Community benefit funds should not be used to replace existing statutory services;
  - Community investment in renewable schemes should be encouraged;
  - There is no one model which will suit all communities.
- 4.6 The issue of community investment/development plans was widely discussed at the seminar and is advocated as the most appropriate way to establish local priorities. Community plans should identify the needs and priorities of the community over a short, medium and long term and set down actions to address these. The community investment/development plan should work towards creating a sustainable community and consider implications in relation to ongoing revenue costs associated with any new facilities/services and projects proposed. The community investment/development plan should link closely to the outcomes of the SOA and should focus on delivering community

needs which link to the SOA and include the identification of support to community facilities/services which may have previously been provided by the public sector but which may no longer be able to be provided due to future funding restrictions.

- 4.7 Using information obtained through ABRA, the seminar and recent Scottish Government guidance, a draft framework with a list of recommendations which should be considered by both developers and communities has been produced.
- 4.8 Following these discussions, it is felt that a framework for community benefit for onshore renewable would be the most appropriate approach. The development of a framework as opposed to a policy approach allows each developer the flexibility to use a different model and acknowledges that each community differs in regard to capacity, needs and aspirations. It is considered that a Framework provides a much more flexible approach to take account of the above and can also incorporate best practice guidance to communities and developers alike.

#### 5.0 CONCLUSION

- 5.1 The current Council Policy on Community Benefits from Windfarms has become out of date and is in need of review.
- 5.2 A draft framework is proposed and is based on initial consultation with communities and developers. The purpose of the framework will be to help to maximise the economic and community benefit from a range of commercial renewable energy developments across Argyll and Bute.
- 5.3 The Council will continue to promote strategic concordats with developers to create a long lasting relationship which will maximise benefits to Argyll's communities and economy.

#### 6.0 IMPLICATIONS

- 6.1 Policy The Framework is in line with Single Outcome Agreement, EDAP and REAP. It also accords with the Scottish Government Good Practice Principles for Community Benefit from Onshore Renewable Energy Developments.
- 6.2 Financial The Framework seeks to maximise the community benefit derived from onshore commercial renewables.
- 6.3 Legal None.
- 6.4 HR None.
- 6.5 Equalities None.
- 6.6 Risk If the Framework is not agreed then the level of community benefit realised from new developments may not be maximised.
- 6.7 Customer Service None.

#### **Executive Director of Development and Infrastructure Services – Pippa Milne**

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#### **APPENDICES – NOT INCLUDED WITH MAY 2015 REPORT**

Appendix 1 Argyll and Bute Framework for Community Benefit from Onshore Renewables

#### **Appendix 2 Proposed Guidance**

# Argyll and Bute Guidance for Community Benefits from Onshore Renewables DRAFT

This document represents Argyll and Bute Council's guidance to assist communities and developers in their consideration of community benefits from new onshore renewable energy developments including wind, hydro, biomass and solar. The aim of the guidance is to maximise the impacts of community benefits as a result of renewable energy developments for the benefit of communities across Argyll and Bute. It is hoped that the document will be a useful tool for local communities and renewable developers to inform their discussions. The guidance seeks to identify the key principles to be considered and seeks to promote best

practice, it is non-statutory and it is for communities and developers to decide which elements are most appropriate

for them.

Community benefits in relation to renewable energy are voluntary and vary greatly in how they are delivered and what form they take. Community benefits can include monetary payments (funds) or other voluntary benefits provided to the community such as direct funding of projects, one-off funding, local energy discount scheme or other site-specific benefits. In line with Scottish Government guidance, community benefits do not include direct economic or supply chain benefits or infrastructure directly related to or arising from the individual developments such as local jobs or purchasing.

Argyll and Bute Council first adopted a Community Benefit Policy in 2005 and since then community benefit arrangements have been completely separate from the regulatory planning process. The Council has no powers to



oblige developers to pay community benefits which, along with their differing administration arrangements, are wholly voluntary and are driven by the developers' willingness to contribute. Community benefits are not a material consideration in the planning process. This Guidance document will supersede the 2005 policy.

One of the main components of the guidance is the proposed increase in the payment level for onshore wind from £2,000 per MW (2005 policy) to at least £5,000 per MW of installed capacity per annum.

The following principles are intended to guide communities and developers in their discussions regarding community benefit. It is acknowledged that each community benefit arrangement is different due to the differing nature of the developments and communities involved and therefore that some elements may be more applicable than others, flexibility will be required.

After consultation with local community organisations and developers through a seminar on community benefit in June 2014 and a public consultation period in February-March 2015 it is proposed that the following principles are followed.

#### **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 investment option, enabling the community to purchase a share in the renewable energy development, should be explored for all new commercial renewable developments, this is in addition to the voluntary community benefit associated with the development although communities should be given the opportunity to roll community benefit funds into debt or equity investments;
- 7. Community benefit funds should seek to address local community needs within the renewable development catchment area agreed by the developer and communities and then wider community needs where funding is sufficient when considered in light of the scale of the community, the funds available and the immediate community need as demonstrated by a community investment/development plan. A regional/strategic fund of up to 50% should be considered. Communities are encouraged to consider how they access services, facilities and employment and how the funds could be used to improve these through job creation, skills and education, improvements to local towns which support the communities where the renewable energy development is located etc. Communities and developers should determine how this regional/strategic fund is best delivered, this could include:
  - A locally administered fund which is open to applicants from across the regional or subregional area;
  - Provision of funds to an existing local Common Good Fund (these operate in many of our key service centres to be held in perpetuity for the benefit of local people); or
  - c. Funding provided to Argyll wide or sub-regional bodies working in key economic sectors to deliver local economic benefit. Examples of such organisations include ALI Energy (renewable energy and energy efficiency), Argyll and the Isles Tourism Co-operative (tourism), Argyll and the Isles Coast and Countryside Trust (outdoor access and environmental improvements) and Argyll College (skills and education), other organisations may also be appropriate depending on the communities involved.

Regional funding in action
Existing funds in both East and
West Kintyre have provided
funding to their local towns
including support for the
Campbeltown Picture House,
although this facility is outside
their community boundaries the
benefit to local residents is
recognised

<sup>&</sup>lt;sup>1</sup> A 50kW scheme at £5,000 pew MW would amount to an annual fund of £250

<sup>&</sup>lt;sup>2</sup> Community benefits as defined by 3.1 of the Scottish Government Good Practice Principles

8. The detailed fund arrangements for each new project are negotiated and agreed in writing with the community and developer. The Council, under the Powers of Wellbeing in the Local Government (Scotland) Act 2003, can assist in this process as required.

#### **Developers are encouraged to:**

 Operate community benefit arrangements in accordance with the Scottish Government Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments;

- Engage with the local community early in the process, separately to consultation on the planning process where possible, making it clear to them that the receipt of community benefit is not dependent upon their support for the proposal;
- Carryout consultation in an open and inclusive way allowing the community sufficient time to respond (particularly in relation to community buy in discussions);
- Provide clear timescales for community involvement and/or decisions;
- Provide support to communities, wherever possible, to secure the development of a community investment/development plan to allow the maximum community and economic benefit to be delivered from any future community renewable fund(s) and/or other sources of external funding;
- Generating hydro power
- Explore opportunities for community investment with local communities in line with Scottish Government Good Practice Principles for Shared Ownership of Onshore Renewable Energy Developments;
- Be flexible in relation to the governance structure for community benefit funds and work
  with the community to find a solution which accommodates their needs particularly where
  they are already administering existing funds;
- Ensure decision making in relation to allocation of funds is carried out at a local level;
- Ensure the governance structure is robust and is operated in an open and transparent way;
- Where existing renewable developments are being upgraded (re-powered) ensure that there are early discussions with the community to secure continuity of funds and to update community benefit arrangements to reflect the principles within this guidance;
- Investigate with the Council the opportunity to enter into a strategic concordat to define wider local economic opportunities;
- Define an appropriate geographical area to ensure communities affected by the construction or operation of the renewable energy development can access community benefit (the local community);
- 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 <u>Single Outcome Agreement</u>
  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 administrating 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 funds, further information can be provided by the Council's Governance Team;
- 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?Cld=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 (<a href="http://www.argyll-bute.gov.uk/community-life-and-leisure/contact-social-enterprise-team">http://www.argyll-bute.gov.uk/community-leisure/community-leisure/community-leisure/community-development</a>);
- Maintains details of community benefit funds operating across Argyll and Bute and makes these available at <a href="http://www.argyll-bute.gov.uk/planning-and-environment/renewable-energy">http://www.argyll-bute.gov.uk/planning-and-environment/renewable-energy</a>.
- Has a statutory duty in relation to the determination of planning applications and will keep
  the consideration of community benefit arrangements separate from this planning decision
  process. The Economic Development Service will however provide guidance in relation if
  requested to do so by either communities or developers;
- Will review this guidance every two years to ensure that it remains up to date.

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 - <a href="http://www.localenergyscotland.org/developers/good-practice-principles/">http://www.localenergyscotland.org/developers/good-practice-principles/</a>
- Good Practice Principles for Shared Ownership of Onshore Renewable Energy
- Developments <a href="http://www.localenergyscotland.org/developers/good-practice-principles/shared-ownership/">http://www.localenergyscotland.org/developers/good-practice-principles/shared-ownership/</a>
- 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 <a href="http://www.argyll-bute.gov.uk/crop-introduction">http://www.argyll-bute.gov.uk/crop-introduction</a>
- 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 <a href="https://www.foundationscotland.org.uk/community-benefit/platform-for-dialogue/charter/">https://www.foundationscotland.org.uk/community-benefit/platform-for-dialogue/charter/</a>



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#### **Appendix 3 Online questionnaire**

# **Argyll and Bute Framework for Community Benefits from Onshore Renewables**

Thank you for responding to the <u>draft Framework</u>, your comments will help us to shape the framework to ensure that it is appropriate and relevant for Argyll. We will collate the responses received and will prepare a summary of the responses which will be placed on the Argyll and Bute Council website and reported back to committee. We will not publish any individual responses when preparing this summary however we may contact you to discuss further any issues you are raising.

You can view the draft Framework at <a href="www.argyll-bute.gov.uk/consultations/community-benefit-consultation">www.argyll-bute.gov.uk/consultations/community-benefit-consultation</a>

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1. Please prov	vide your	contact	details
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a. Are you replying on behalf of an organisation or individual? *
Individual
b. Organisation name
c. Contact name *
d. Email address
e. Telephone number f. Which administrative area do you live/operate in? *
Bute and Cowal
Helensburgh and Lomond
Mid Argyll, Kintyre and the Islands
Oban, Lorn and the Isles
g. Would you be interested in attending a focus group should one be organised?
Yes
× <sub>No</sub>
2. Who do you represent? *
Community organisation receiving or likely to receive community benefit
Community organisation not receiving or unlikely to receive community benefit
Renewable developer
Other interested party

#### Your views

3. Please indicate whether you agree or disagree with the following recommendations of the framework

	Agree	Disagree
Community benefits are provided for all new renewable developments with an installed capacity of 5MW or more	×	X
2. Community benefits are also sought for new commercial developments with an installed capacity between 50kW and 5MW	X	×

	Agree	Disagree
3. The minimum community benefit payment in relation to onshore wind is £5,000 per megawatt of installed capacity per annum	X	×
4. The community benefit payment for other forms of onshore renewables is based on providing a contribution of £5,000 per megawatt of installed capacity per annum	×	×
5. All community benefit funds are index linked and last the lifetime of the renewable energy project	×	×
6. A community investment option should be offered on all commercial renewable developments	X	×
8. The detailed fund arrangements for each new project are negotiated and agreed in writing with the community, developer and the Council under the Local Government (Scotland) Act 2003	×	×
You can view the draft Framework at http://www.argyll-bute.gov.uk/community 4. If you disagree with any of the recommendations, please indicate which recommendations and how you would improve them		
5. Do you agree that community benefit funds should have a local and regionate Yes  No If no, why not? *	al element	?*
6. Do you agree that the local to regional split should be 50%:50%? *  Yes  No  If no, what should the split be? local:regional *		
7. Do you agree with the Developers Should section of the framework? *  Yes		
You can view the draft Framework at http://www.argyll-bute.gov.uk/community-benefit-consultation If no, what would you change? *		
8. Do you agree with the Communities Should section of the framework? *  Yes  No		
You can view the draft Framework at http://www.argyll-bute.gov.uk/community-benefit-consultation lf no, what would you change? *		
9. Do you agree with the Argyll and Bute Council section of the framework? *  Yes		
You can view the draft Framework at http://www.argyll-bute.gov.uk/community-benefit-consultation If no, what would you change? *		



11. Do you have any further comments or is there anything else which should be included within the framework?

#### **APPENDIX 4 CONSULTATION RESPONSES**

40 responses were made using the online response form and a further 9 email responses were received. Responses were received from a mix of organisations and individuals operating across Argyll and Bute. A higher proportion of responses were submitted from community organisations than renewable developers.

Are you replying on be	half of an organ	nisation or individual?
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Organisation 80% Individual 20%

Which administrative areas do you live/operate in?

Bute & Cowal 18% Helensburgh & Lomond 8% Mid Argyll, Kintyre & Islands 55% Oban, Lorn and the Isles 40%

Who do you represent?

Community organisation receiving or likely to receive community benefit

Community organisation not receiving or unlikely to receive community benefit

Renewable developer

Other interested party

42%

18%

20%

#### Feedback on the draft principles

Principle	Consultation Feedback	Proposed Change
Community benefits are provided for all new renewable developments with an installed capacity of 5MW or more	98% agree (39) 2% disagree (1) The negative response raised concerns about community benefit being extended to include all onshore renewables as well as issues relating to profit margins in relation to all scales of renewable development.  It was also highlighted that benefit should be payable even where the community does not support the planning proposal.	No change. The Scottish Government Good Practice Principles and the Forestry Commission Scotland requirements for community benefit both envisage this including more than onshore wind. The document clearly states that community benefit is not related to support for a planning application or the planning decision.
Community benefits are also sought for new commercial developments with an installed capacity between 50kW and 5MW	90% agree (36)  10% disagree (4)  Issues were raised in relation to this applying to community or farm diversification projects and a request for a definition of commercial development was made.  Concern was raised about the profit margins in relation to all scales of renewable development although a counter comment that this scale of development is not necessarily more marginal was also received.  The risks associated with schemes under 5MW were highlighted. Flexibility in this payment was requested.	Change. Seeking community benefit at the 50kw to 5MW scale is in accordance with Scottish Government Good Practice, it also ensures that benefits are maximised for communities across Argyll. This recommendation indicates that each case will be taken on its merits and this allows sufficient flexibility however the wording will be changed so that community benefit is encouraged rather than being sought.

Principle	Consultation Feedback	Proposed Change
The minimum community benefit payment	85% agree (34) 15% disagree (6)	Change. The Scottish Government Good Practice
in relation to onshore wind is £5,000 per	Whilst there are comments which seek to increase the payment	advocates a level of payment equivalent to at least
megawatt of installed capacity per annum	level there are also concerns raised from a number of developers	£5,000 per MW, the wording will be changed to
	in relation to the setting of a minimum level of payment, they	reflect the Scottish Government guidance. Setting a
	highlight changing financial circumstances surrounding the energy	minimum reflects the aspiration of some of our
	industry and the need for the economics of the project to be	communities to secure additional benefits although it
	viable.	is noted that this may not be possible.
	Some responses suggested varying amounts of community	A varying level of payment would not be consistent
	benefit payment including a formula relating to population affected	with Scottish Government Good Practice and could
	is used instead of a flat rate; this would help to differentiate	create confusion for both developers and
	between rural and urban locations.	communities.
The community benefit payment for other	83% agree (33) 17% disagree (7)	Change. We feel that it is helpful to have a target
forms of onshore renewables is based on	Concerns were raised from a number of parties regarding the	when negotiating community benefit and we are
providing a contribution of £5,000 per	setting of targets associated with other forms of onshore	mindful of the fact that hydro schemes on the
megawatt of installed capacity per annum	renewables and the need to recognise the differences between	Forestry Commission Estate are required to make
	technologies in relation to financial terms and impact. One	the £5,000 per MW contribution. We do however
	response did query why this was not subject to a minimum	agree that more flexibility may be appropriate in
	amount in the same way as onshore wind.	some circumstances and the principle will therefore
	Flexibility in this level of payment was requested.	be amended to allow for the economics of each
	It was also suggested that there should be benefit based on the	project to be considered. A minimum amount is not
All community benefit frieds are index	amount of energy generated.	appropriate due to the desire for a level of flexibility.
All community benefit funds are index linked and last the lifetime of the	93% agree (37) 7% disagree (3)	Change. Wording amended to remove reference to
renewable energy project	Concerns were raised regarding the extension of community benefit payments beyond the timescale of any subsidy payment	the lifetime of the project.  The appropriate index should be determined when
Teriewabie energy project	such as FiTs.	the community benefit agreement is set up.
	There was also a query regarding which index would be	the community benefit agreement is set up.
	appropriate.	
A community investment option should be	78% agree (31) 22% disagree (9)	Change. Wording to be amended to reflect that
offered on all commercial renewable	A number of responses expressed concern around the firm	community investment should be explored rather
developments	language relating to this recommendation, it was generally agreed	than an offer made. Additional wording proposed
developments	that community investment should be considered but that there	which confirms, in line with Scottish Government
	can be complexities which restrict when it can be progressed from	Good Practice, that community benefit payments are
	both the developers and communities point of view. Where	separate to benefits from community investment.
	community investment is not feasible or there is no appetite from	Coparato to actionic from community in the control of
	the community this should not stop development proceeding.	
	This requirement should only relate to new renewables being	
	developed.	
	The difficulties of a number of communities coming together to	
	form one body to buy into a scheme was highlighted as was the	
	need for any organisation buying into a renewables scheme to be	
	a properly constituted body.	

Principle	Consultation Feedback	Proposed Change
Community benefit funds shall include a local (50%) and regional or sub-regional element (50%)	Communities may require independent financial and legal advice when considering these options.  It was noted that there are opportunities for community investment within Argyll.  57% agree with a regional split (24) 43% disagree with a regional split (18) Of the 57% who agreed with a regional split, 63% agreed with the proposal to make it 50:50 whilst 33% disagreed and 4% did not respond.  This was the aspect of the guidance where the most comments were made. Although the majority agreed with a regional split, of those that disagreed the feeling was generally that the focus should be on those areas closest to the renewable energy proposal. However, some responses felt that a regional element would be beneficial and would be an equitable way of distributing what are sometimes very large sums of money.  There was a call to be flexible about this element of the document and indications that a fixed split may not be appropriate and that the use of a regional fund should be optional. One response suggested that a regional fund is considered for schemes over	Change. A key reason for the proposal for a local: regional split was as a result of the increase in funds due to the higher per MW payment and the increasing size if the turbines however we acknowledge the concerns of both developers and communities in relation to this aspect and are therefore proposing to change the principle to make it clear that it is for the community and developers to determine how to handle this aspect. The proposed wording has been changed to make it clear that this element is not compulsory but should be considered where funds are sufficient when considered against the needs of the community as set out in their community investment/development plan.
	There was concern in some of the responses that the Council wished to use some of the funding; it was highlighted that the regional element should not be used as a substitute for the provision of public services or investment.  There were responses which supported the identification of groups such as Argyll and the Isles Coast and Countryside Trust and the Argyll and the Isles Tourism Co-operative as they could help to implement changes which could reverse demographic trends.  One response suggested that the regional element should only be used to improve energy efficiency and should be administered by sub-regional/local agencies.  Another response requested further information on what might be appropriate within the regional element.  The majority of those who wished to change the 50:50 split suggested that a higher proportion went to the local community.	

Principle	Consultation Feedback	Proposed Change
The detailed fund arrangements for each	68% agree (27)	Change. It is acknowledged that there is no
new project are negotiated and agreed in	32% disagree (13)	requirement for the Council to be directly involved in
writing with the community, developer	Concern was expressed that the Council should not be involved in	this element of the agreement and the guidance will
and the Council under the Local	the negotiations and that use of the Local Government (Scotland)	be amended to reflect this. It remains however our
Government (Scotland) Act 2003	Act would require use of the Argyll and Bute Windfarm and	recommendation that all community benefit
	Renewables Trust, this could be inflexible.	agreements are agreed in writing.
	Funds should be administered at a local level.	
	One response expressed concern about signing their community	
	up to an agreement which would last 20/30 years.	
	Make community benefit mandatory	No change. This would not be appropriate as
		Scottish Government Guidance clearly indicates that
		community benefit is voluntary.

# 7. Do you agree with the Developers Should section of the framework? \* Yes 59% No 41%

Principle	Consultation Feedback	Proposed Change
Engage with the local community early in the process, separately to consultation on the planning process where possible, making clear to them that the receipt of community benefit is not dependent upon their support for the proposal  Provide professional support to	Comments were returned that indicated that the developer should	Change. Wording amended to be more flexible.
communities to secure the development of a community investment/development plan to allow the maximum community and economic benefit to be delivered from any future community renewable fund(s) and/or other sources of external funding	not be involved in community plan making, another highlighted potential constraints on developers in relation to the support they can provide. The role of the Council in supporting community planning was highlighted.	Change. Wording amonate to be more noxible.
Offer a community investment buy in option to appropriate community bodies	Comment was made that this should be optional and should require exploration of the options as community investment may not always be possible.  There was also a query about who might be an appropriate community body.  There was a request that the timing for consultations in relation to community buy in is clearly set out by developers.	Change. Wording amended to require community investment to be explored. It is not possible to define who might be an appropriate community body due to the varying nature of each development.

Principle	Consultation Feedback	Proposed Change
Carryout consultation in an open and inclusive way allowing the community sufficient time to respond (particularly in relation to community buy in discussions)	One response indicted that timescales should be clearly set out to communities	Change. In relation to this comment and that made to the above it is proposed that a new bullet point in relation to the provision of timescales is included.
Be flexible in relation to the governance structure for community benefit funds and work with the community to find a solution which accommodates their needs particularly where they are already administering existing funds		
Where existing renewable developments are being upgraded (re-powered) ensure that there is early discussion with the community to secure continuity of funds and agreement on any changes to existing community benefit payments	One response suggested that all re-powered projects should pay £5,000 per MW	Change. It is intended that re-powered sites would comply with the guidance; a minor change is proposed to make this clearer.
Ensure decision making in relation to allocation of funds is carried out at a local level		
Ensure the governance structure is robust and is operated in an open and transparent way	developer.	No change. It is in the developer's interest to ensure that the funds they are providing are administered appropriately and their involvement in this element is justified.
Investigate with the Council the opportunity to enter into a strategic concordat to define wider local economic opportunities	Concerns were raised about potential conflicts between the role of the council as a signatory to the concordat and as planning authority.  One suggestion was made that strategic concordats should only relate to a specific development.  An issue was also raised that this was too much involvement by the developer.  There was a suggestion that an example concordat should be included.	No change. The strategic concordat is proposed to maximise benefits from renewable development. Strategic concordats are not dealt with by the planning department and are not entered into until such time as the planning decision has been made; it is not therefore felt that there is a conflict of interest.
Define an appropriately wide geographical area to ensure all communities affected by the construction or operation of the renewable energy development can access community benefit and encourage development of a regional/sub-regional fund in accordance with the Framework	Concern was expressed that this would lead to the community benefit being spread too thinly and becoming meaningless. It was also noted that including communities which are not directly involved could encourage support based on the promise of community benefit.  One party responded that developers should not define how funds are spent and another suggested that this was too much involvement by the developer.	Change. It is noted that this could result in the funds being spread thinly, an amendment is proposed to address this.

Principle	Consultation Feedback	Proposed Change
Start community benefit payments from the start of the construction period	A number of responses suggested that payments should not start until the site is operational with one concerned that this would reduce the time available to set up the community benefit fund. 1 response suggested that payments should start once planning permission has been granted.	Change. We would like to see payments started as soon as possible but acknowledge that it might not be possible to make payments until revenue is being generated, it is therefore proposed that payment could be deferred until the site is operational. It would not be appropriate to start payments at planning permission as there is no certainty that the development will proceed.
Include a facility to enable projects to be funded for several years or for large projects to be funded by making advanced, aggregated payments	Concerns were raised and it was suggested that this should be considered on a case by case basis or should be discretionary.	Change. It is accepted that this clause should be more flexible.
Ensure community benefit arrangements will be honoured should the site be sold	One response identified that this cannot be guaranteed while another suggested that this bullet point should also refer to a change in personnel.	No change. We would expect details of funds to be formally agreed and whilst they may not be able to guarantee that the obligation is passed on should the site be sold we would expect community benefits to continue.
	Suggest an additional bullet point recommending that developers should follow the Scottish Government Good Practice Principles.	Change. The Scottish Government Good Practice are clearly referenced.
	Developers should provide access and signage to developments	No change. Developers may provide access and signage as part of community benefit but it would not be appropriate for the guidance to specify this level of detail.

# 8. Do you agree with the Communities Should section of the framework? Yes 75% No 25%

Principle	Consultation Feedback	Proposed Change
Be aspirational – this is an excellent		
opportunity to make a difference not only		
to your local area but also to the wider		
region/sub-region.		
Create a community	One response indicated that not all communities want/need a	Change. We feel that it would be beneficial for all
investment/development plan to provide a	development plan but are just looking for small-scale	communities to consider what their priorities are even
strategic view of community priorities	improvements. It was noted that small-scale schemes would have	if they incorporate only small-scale improvements.
across the region or sub region with a	less impact on delivering the outcomes in the SOA.	We note that the comment in relation to services
focus on contributing to the outcomes set	Concerns were raised that the 1 <sup>st</sup> bullet point refers to activities	provided by the public sector appears to have led to
out in the Single Outcome Agreement	previously undertaken by the public sector and that community	concern and is proposed to be removed.
and addressing key issues	benefit funds are being sought to deliver council services which	It is agreed that communities should not be
	should not be the case.	responsible for plans on a regional or sub-regional

Principle	Consultation Feedback	Proposed Change
	It was highlighted that development of these plans should not be	level however they should take into consideration
	reliant on renewable energy coming forward.	how their community interacts with others; a change
	There was concern that communities should not be responsible	to the wording will be made.
	for sub-regional plans and that the Council should be supporting	
	community groups in preparing local plans.	
	It was noted that in some cases the community will require the full	
	community benefit payment to help them to realise their	
	aspirations.	
	Fuel poverty and equity issues may also be appropriate for	
	inclusion in community plans.	
	Community action plans should be site specific.	
Create a robust governance structure to	Response was made highlighting the support of third party	Change. It is worth noting that there is support from
administer community benefit funds which	providers such as Foundation Scotland in administering funds.	the Council, third party organisations and some
includes open and transparent allocations		developers, a change will be made.
of funding		
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		
administrating bodies to make them as inclusive and representative as possible		
Review and report on the operation of the	It was suggested that this should be carried out every 3-5 years	Change. We believe that it is appropriate for an
community benefit fund annually to	and should ensure that funding priorities are appropriate.	annual report of funding distributed to be made
ensure it is operating effectively and	and should ensure that furiding phornies are appropriate.	although a review into the effectiveness of the
maximising benefit		funding may be more appropriate on a 5 year basis.
Seek match funding where possible to		lunding may be more appropriate on a 5 year basis.
maximize the benefit received		
Consider long-term aims of the		
community including whether to invest		
some of the fund to buy invest directly in		
the commercial renewable project or		
alternatively to develop your own		
renewable project to provide an additional		
income		
Work with neighbouring communities		
where funds and/or projects are operating		
across administrative boundaries		
	This section should refer to the support available from Local	This was incorporated into the governance structure
	Energy Scotland.	point above.

Principle	Consultation Feedback	Proposed Change
	Don't tie the hands of community groups by making them adhere	Change. It is not the intention to tie communities into
	to one model.	one model; the guidance will be amended to reflect
		the differing models which exist.
	Community benefit funds derived from renewable energy	No change. There is clear steer from the responses
	developments should only be used to increase energy efficiency	that the guidance should not be prescriptive in
	of housing stock and install small/domestic renewables	relation to the use of community benefit.
	technologies.	

#### 9. Do you agree with the Argyll and Bute Council section of the framework? Yes 75% No 25%

Recommendation	Consultation Feedback	Proposed Change
Offers guidance to local community	Council involvement should be limited to support and advice.	No change. The Council will continue to provide
groups on appropriate governance of	Provide a link to relevant information.	guidance as requested by communities.
community benefit funds		
Maintains a Wind Farm and Renewables	This should not impose procedures without good governance	Change. The guidance will include a link to the
Trust which can form the governance	principles.	minutes of the Trust. The use of the Trust is not
structure for community organisations	Provide a link to relevant information.	mandatory but continues to be provided as a
free of charge	The Argyll and Bute Windfarm and Renewables Trust should	governance option for communities.
	provide details of funding awarded through the Scottish	
0.5	Government's Community Benefit Register.	Observe The wilders a selected days the selection
Offers support to community groups who	Include recognition that the Council has a role in community	Change. The guidance acknowledges the role the
are preparing Community Investment/ Development Plans or involved in	development planning. Provide a link to relevant information.	Council plays but will be amended to include a link to the relevant teams.
consultation and engagement with their	Provide a link to relevant information.	the relevant teams.
community through our Social Enterprise		
and Community Development Teams		
Maintains details of community benefit	Reference should also be made to the Scottish Government	Change. A link to the register will be included within
funds operating across Argyll and Bute	Community Benefit Register.	the further reading section of the guidance.
and makes these available at	January 2010 M. 10 gloton	and ranking occurring gardaness.
http://www.argyll-bute.gov.uk/planning-		
and-environment/renewable-energy		
Will review this framework every two		
years to ensure that it remains up to date		
	The Council's role should only be to oversee that the funds are set	No change. Whilst the Council does not have to be
	up and administered properly.	directly involved in community benefit agreements, it
		can offer assistance to communities as requested.
	If there is a regional element, then there should be additional	No change. It is not proposed that the Council will
	guidance on how the Council will manage this. A Council regional	manage any funds.
	fund managed would mean that they could not be impartial.	

This section is too vague.	No change. This section details the activity of the Council currently.
The Council could assist developers by providing a level of understanding locally about shared ownership.	No change but the request is noted.

10. Would you use the draft framework to inform discussions about community benefit? \* Yes 80% No 20%

#### If no, why not?

- Don't agree with the 50:50 split (1)
- The Council should not be involved (1)
- Not in favour of the framework in its current form (2)
- Existing guidance is sufficient (1)
- The framework goes beyond the Scottish Government Good Practice Principles (1)

#### 11. Do you have any further comments?

The following additional issues were raised:

Consultation feedback	Proposed change
Concern expressed at lack of consultation	No change. This response was made as a result of the 4 week public consultation which
	followed discussions with ABRA and a public seminar on community benefit in June 2014.
A clear separation between community councils and community wind	No change. Appropriate governance structures should be put in place for all community
farm trusts must be established, there is potential for conflicts of	benefit which ensures that there are no conflicts of interests. The reporting
interest.	recommendations within the guidance should help to make funds transparent.
The money should be held centrally and distributed on the basis of need	No change. The consultation responses clearly indicated a desire for community benefit
to community groups and councils.	to be handled by the local community.
Include Waterfall Fund as a community benefit fund for Mull.	Change. It would not be appropriate to list all organisations distributing funds however the
	relevant section of the guidance has been amended to refer to other organisations.
Framework should be as flexible as possible and ensure that the	Change. The guidance sets out principles which may or may not be appropriate for each
different forms of community benefit arrangements are acceptable.	community benefit arrangement however we have added to the guidance to recognise the
	different form and delivery mechanisms associated with community benefit.
The framework should define which renewables projects it should be	Change. The initial description of onshore developments has been amended to indicate
applied to and that it applies to onshore developments only.	that it relates only to new developments coming forward.
Community benefit should not be considered as a tax.	No change. The payment of community benefit is voluntary and this is clearly stated in the
	guidance.
The Council needs to find other ways to raise funds.	Change. The community benefit guidance is not a mechanism for raising revenue for the
	Council, the aim of the guidance is to maximise the benefit from renewable energy
	developments for Argyll and Bute communities. It is proposed to amend the guidance to

	state this sim
Concern averaged that the manager and he would be read to read to	state this aim.
Concern expressed that the moneys could be used to replace the	No change. It is not proposed that community benefit funds come to the Council for
Council's own financial commitments but should be in addition to	distribution. Community benefit payments are a separate issue to the funding available to
Council funding and seen as an additional benefit for communities (this	the Council.
comment was made on a number of occasions).	
The framework should note that community benefits can include	Change. The definition of community benefits has been updated to reflect Scottish
infrastructure improvements.	Government guidance however this is clear that infrastructure improvements directly
	associated with the development are not classed as community benefits. The guidance is
Occurred to be a fit does not as a life by an authority of the control of the con	proposed to be amended to take these changes into account.
Community benefit does not need to be an entirely monetary	Change. The guidance is amended to reflect the Scottish Government guidance.
contribution and could include other in kind benefits.	
Communities are not obliged to adhere to local authority guidelines.	Change. The guidance has been amended to clearly state that it is not mandatory.
Scottish Government guidance states that a memorandum of	No change. The guidance does not refer to pre-planning agreements between
understanding between developer and community at pre-planning is not	communities and developers and we do not wish to introduce this element.
legally binding.	
The framework seems to inhibit communities' ability to influence	No change. It is not the intention of the guidance to stop communities being involved in
development.	the distribution of community benefits in fact it is clearly stated that they should be directly
As the funds are not part of the planning process, the community that	involved in the process.
receives them should determine how to use them.	
Disagree with the framework as it changes the original focus of	No change. The aim of the guidance is to maximise community benefit. The existing 2005
community benefit as it should benefit those with a loss of amenity as a	policy incorporates a regional element distributed through ALI Energy and the proposed
result of the development rather than looking to regional aspect.	changes to this aspect of the guidance make this element more flexible.
Consider linking to <a href="http://www.hie.co.uk/community-support/managing-">http://www.hie.co.uk/community-support/managing-</a>	Change. This document is already referred to in the further reading section, the web link
community-funding/	will be updated.
Concern that Argyll and Bute Council are the planning authority but	Change. The consideration of community benefit is completely separate from the planning
could potentially also negotiate on community benefit.	decision process however to reiterate this we will amend the guidance to make it clearer.
It should be made clear that community benefit is a compensation for	No change. Community benefit is a voluntary arrangement and not a formal
the impact of renewable development.	compensation measure.
There should be greater emphasis that community benefit is separate to	Change. The guidance clearly states that community benefit and planning are separate
the planning process and should only be considered after planning	issues but this has been reiterated.
consent is issued.	
There is a need for definitions in relation to aspects such as local	No change. It is not possible to define these aspects as they will vary between
community, region and sub-region.	developments, communities and developers will look at the details of each proposal to
	determine what might be appropriate.
Community benefit should be considered against any potential	No change. Community benefit is a voluntary payment is not related to the economic
economic loss.	impacts of a renewable energy scheme.
The draft framework should refer to Scottish Planning Policy and the	No change. Community benefit is not related to the planning policy or decisions of Argyll
Argyll and Bute Council Local Development Plan	and Bute Council and to make reference to these could add confusion to the need to keep
	community benefit separate to planning decisions.
Advocate the use of the Firm Foundations Charter for those having	Change. Firm Foundations has been included within the further reading section of the
discussions around community benefit –	guidance.
https://www.foundationscotland.org.uk/community-benefit/platform-for-	

dialogue/charter/	
Highlights potential impacts of changing funding regimes for renewables	No change. Whilst it is acknowledged that funding regimes etc. may affect community
and possible changes in planning permissions rates which could mean	benefit arrangements, the guidance as drafted reflects current national guidance. It is
that community benefit is only sufficient for a local fund.	proposed to review the guidance every 2 years which would allow any required change to
·	be made.
The framework refers to community benefit as including benefits derived	Change. The Scottish Government Good Practice at section 3.1 includes benefits derived
from community investment but that Scottish Government Good	from community ownership in the development so it is appropriate to reference it in the
Practice states that community investment opportunities are additional	definition however it is proposed that the recommendation which refers to community
to voluntary community benefit.	investment also makes it clear that this is in addition to any community benefit fund.
An extra recommendation requiring discussion and development of a	No change. The document clearly indicates that communities and developers should work
community benefit package in collaboration with the community is	together.
requested.	