

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 behalf of an organisation or individual?

Organisation	80%	Individual	20%
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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	42%
Community organisation not receiving or unlikely to receive community benefit	18%
Renewable developer	20%
Other interested party	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
<p>The minimum community benefit payment in relation to onshore wind is £5,000 per megawatt of installed capacity per annum</p>	<p>85% agree (34) 15% disagree (6) Whilst there are comments which seek to increase the payment level there are also concerns raised from a number of developers in relation to the setting of a minimum level of payment, they highlight changing financial circumstances surrounding the energy industry and the need for the economics of the project to be viable. Some responses suggested varying amounts of community benefit payment including a formula relating to population affected is used instead of a flat rate; this would help to differentiate between rural and urban locations.</p>	<p>Change. The Scottish Government Good Practice advocates a level of payment equivalent to at least £5,000 per MW, the wording will be changed to reflect the Scottish Government guidance. Setting a minimum reflects the aspiration of some of our communities to secure additional benefits although it is noted that this may not be possible. A varying level of payment would not be consistent with Scottish Government Good Practice and could create confusion for both developers and communities.</p>
<p>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</p>	<p>83% agree (33) 17% disagree (7) Concerns were raised from a number of parties regarding the setting of targets associated with other forms of onshore renewables and the need to recognise the differences between technologies in relation to financial terms and impact. One response did query why this was not subject to a minimum amount in the same way as onshore wind. Flexibility in this level of payment was requested. It was also suggested that there should be benefit based on the amount of energy generated.</p>	<p>Change. We feel that it is helpful to have a target when negotiating community benefit and we are mindful of the fact that hydro schemes on the Forestry Commission Estate are required to make the £5,000 per MW contribution. We do however agree that more flexibility may be appropriate in some circumstances and the principle will therefore be amended to allow for the economics of each project to be considered. A minimum amount is not appropriate due to the desire for a level of flexibility.</p>
<p>All community benefit funds are index linked and last the lifetime of the renewable energy project</p>	<p>93% agree (37) 7% disagree (3) Concerns were raised regarding the extension of community benefit payments beyond the timescale of any subsidy payment such as FiTs. There was also a query regarding which index would be appropriate.</p>	<p>Change. Wording amended to remove reference to the lifetime of the project. The appropriate index should be determined when the community benefit agreement is set up.</p>

Principle	Consultation Feedback	Proposed Change
<p>A community investment option should be offered on all commercial renewable developments</p>	<p>78% agree (31) 22% disagree (9)</p> <p>A number of responses expressed concern around the firm language relating to this recommendation, it was generally agreed that community investment should be considered but that there can be complexities which restrict when it can be progressed from both the developers and communities point of view. Where community investment is not feasible or there is no appetite from the community this should not stop development proceeding. This requirement should only relate to new renewables being developed.</p> <p>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.</p> <p>Communities may require independent financial and legal advice when considering these options.</p> <p>It was noted that there are opportunities for community investment within Argyll.</p>	<p>Change. Wording to be amended to reflect that community investment should be explored rather than an offer made. Additional wording proposed which confirms, in line with Scottish Government Good Practice, that community benefit payments are separate to benefits from community investment.</p>

Principle	Consultation Feedback	Proposed Change
<p>Community benefit funds shall include a local (50%) and regional or sub-regional element (50%)</p>	<p>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 5MW. 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.</p>	<p>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 of 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.</p>

Principle	Consultation Feedback	Proposed Change
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	68% agree (27) 32% disagree (13) Concern was expressed that the Council should not be involved in the negotiations and that use of the Local Government (Scotland) Act would require use of the Argyll and Bute Windfarm and Renewables Trust, this could be inflexible. 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.	Change. It is acknowledged that there is no requirement for the Council to be directly involved in this element of the agreement and the guidance will be amended to reflect this. It remains however our recommendation that all community benefit agreements are agreed in writing.
	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 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	Comments were returned that indicated that the developer should 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 amended to be more flexible.
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	An issue was raised that this was too much involvement by the 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.		

Principle	Consultation Feedback	Proposed Change
<p>Create a community investment/development plan to provide a strategic view of community priorities 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</p>	<p>One response indicated that not all communities want/need a development plan but are just looking for small-scale improvements. It was noted that small-scale schemes would have less impact on delivering the outcomes in the SOA. Concerns were raised that the 1st bullet point refers to activities previously undertaken by the public sector and that community benefit funds are being sought to deliver council services which should not be the case.</p> <p>It was highlighted that development of these plans should not be reliant on renewable energy coming forward.</p> <p>There was concern that communities should not be responsible for sub-regional plans and that the Council should be supporting community groups in preparing local plans.</p> <p>It was noted that in some cases the community will require the full community benefit payment to help them to realise their aspirations.</p> <p>Fuel poverty and equity issues may also be appropriate for inclusion in community plans.</p> <p>Community action plans should be site specific.</p>	<p>Change. We feel that it would be beneficial for all communities to consider what their priorities are even if they incorporate only small-scale improvements. We note that the comment in relation to services provided by the public sector appears to have led to concern and is proposed to be removed.</p> <p>It is agreed that communities should not be responsible for plans on a regional or sub-regional level however they should take into consideration how their community interacts with others; a change to the wording will be made.</p>
<p>Create a robust governance structure to administer community benefit funds which includes open and transparent allocations of funding</p>	<p>Response was made highlighting the support of third party providers such as Foundation Scotland in administering funds.</p>	<p>Change. It is worth noting that there is support from the Council, third party organisations and some developers, a change will be made.</p>
<p>Create a decision making process which is fair, transparent and proportional to grant amount with any assessment criteria publicly available</p>		
<p>Seek representation from all sectors of the community on community benefit fund administering bodies to make them as inclusive and representative as possible</p>		
<p>Review and report on the operation of the community benefit fund annually to ensure it is operating effectively and maximising benefit</p>	<p>It was suggested that this should be carried out every 3-5 years and should ensure that funding priorities are appropriate.</p>	<p>Change. We believe that it is appropriate for an annual report of funding distributed to be made although a review into the effectiveness of the funding may be more appropriate on a 5 year basis.</p>
<p>Seek match funding where possible to maximize the benefit received</p>		

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

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 groups on appropriate governance of community benefit funds	Council involvement should be limited to support and advice. Provide a link to relevant information.	No change. The Council will continue to provide guidance as requested by communities.
Maintains a Wind Farm and Renewables Trust which can form the governance structure for community organisations free of charge	This should not impose procedures without good governance principles. Provide a link to relevant information. The Argyll and Bute Windfarm and Renewables Trust should provide details of funding awarded through the Scottish Government's Community Benefit Register.	Change. The guidance will include a link to the minutes of the Trust. The use of the Trust is not mandatory but continues to be provided as a governance option for communities.
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 and Community Development Teams	Include recognition that the Council has a role in community development planning. Provide a link to relevant information.	Change. The guidance acknowledges the role the Council plays but will be amended to include a link to the relevant teams.

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	Reference should also be made to the Scottish Government Community Benefit Register.	Change. A link to the register will be included within the further reading section of the guidance.
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 up and administered properly.	No change. Whilst the Council does not have to be 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 guidance on how the Council will manage this. A Council regional fund managed would mean that they could not be impartial.	No change. It is not proposed that the Council will manage any funds.
	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 farm trusts must be established, there is potential for conflicts of interest.	No change. Appropriate governance structures should be put in place for all community benefit which ensures that there are no conflicts of interests. The reporting recommendations within the guidance should help to make funds transparent.
The money should be held centrally and distributed on the basis of need to community groups and councils.	No change. The consultation responses clearly indicated a desire for community benefit 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 different forms of community benefit arrangements are acceptable.	Change. The guidance sets out principles which may or may not be appropriate for each 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 applied to and that it applies to onshore developments only.	Change. The initial description of onshore developments has been amended to indicate 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 aim.
Concern expressed that the moneys could be used to replace the Council's own financial commitments but should be in addition to Council funding and seen as an additional benefit for communities (this comment was made on a number of occasions).	No change. It is not proposed that community benefit funds come to the Council for distribution. Community benefit payments are a separate issue to the funding available to the Council.
The framework should note that community benefits can include infrastructure improvements.	Change. The definition of community benefits has been updated to reflect Scottish Government guidance however this is clear that infrastructure improvements directly associated with the development are not classed as community benefits. The guidance is proposed to be amended to take these changes into account.
Community benefit does not need to be an entirely monetary contribution and could include other in kind benefits.	Change. The guidance is amended to reflect the Scottish Government guidance.
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 understanding between developer and community at pre-planning is not legally binding.	No change. The guidance does not refer to pre-planning agreements between communities and developers and we do not wish to introduce this element.
The framework seems to inhibit communities' ability to influence development. As the funds are not part of the planning process, the community that receives them should determine how to use them.	No change. It is not the intention of the guidance to stop communities being involved in the distribution of community benefits in fact it is clearly stated that they should be directly involved in the process.

Disagree with the framework as it changes the original focus of community benefit as it should benefit those with a loss of amenity as a result of the development rather than looking to regional aspect.	No change. The aim of the guidance is to maximise community benefit. The existing 2005 policy incorporates a regional element distributed through ALI Energy and the proposed changes to this aspect of the guidance make this element more flexible.
Consider linking to http://www.hie.co.uk/community-support/managing-community-funding/	Change. This document is already referred to in the further reading section, the web link will be updated.
Concern that Argyll and Bute Council are the planning authority but could potentially also negotiate on community benefit.	Change. The consideration of community benefit is completely separate from the planning 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 the impact of renewable development.	No change. Community benefit is a voluntary arrangement and not a formal compensation measure.
There should be greater emphasis that community benefit is separate to the planning process and should only be considered after planning consent is issued.	Change. The guidance clearly states that community benefit and planning are separate issues but this has been reiterated.
There is a need for definitions in relation to aspects such as local community, region and sub-region.	No change. It is not possible to define these aspects as they will vary between 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 economic loss.	No change. Community benefit is a voluntary payment is not related to the economic impacts of a renewable energy scheme.
The draft framework should refer to Scottish Planning Policy and the Argyll and Bute Council Local Development Plan	No change. Community benefit is not related to the planning policy or decisions of Argyll 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 discussions around community benefit – https://www.foundationscotland.org.uk/community-benefit/platform-for-dialogue/charter/	Change. Firm Foundations has been included within the further reading section of the guidance.
Highlights potential impacts of changing funding regimes for renewables and possible changes in planning permissions rates which could mean that community benefit is only sufficient for a local fund.	No change. Whilst it is acknowledged that funding regimes etc. may affect community benefit arrangements, the guidance as drafted reflects current national guidance. It is 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 from community investment but that Scottish Government Good Practice states that community investment opportunities are additional to voluntary community benefit.	Change. The Scottish Government Good Practice at section 3.1 includes benefits derived from community ownership in the development so it is appropriate to reference it in the definition however it is proposed that the recommendation which refers to community investment also makes it clear that this is in addition to any community benefit fund.
An extra recommendation requiring discussion and development of a community benefit package in collaboration with the community is requested.	No change. The document clearly indicates that communities and developers should work together.