Consultation regarding the Draft Scottish Government Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments

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Date of Submission: 17th January 2014

Please enter any comments or views you wish to make on the Scottish Government Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments in the box below.

General Comments

We welcome the intention to provide good practice guidelines and principles for community benefits arising from onshore renewable energy developments in Scotland. This can be seen as contributing to a wider community empowerment process and, in turn, stronger, more resilient and supportive communities.

We particularly support the suggestion that appropriately defined communities are engaged at pre-consent stage in discussions with developers so as to ensure the co-construction of appropriate community benefit schemes. Equally, we feel it entirely appropriate that the guidelines consider how funds are administered, including the disbursement of the funds and the monitoring and evaluation of impacts and outcomes.

The Foreword to the document states that it is intended for developers of renewable energy projects in Scotland. We suggest it would be useful to repeat this in the introduction. In particular, while the document contains useful resources and ideas for stakeholders and communities, it is not written explicitly with their needs in mind and this should be more openly acknowledged.

We note that the definition of community benefits given on page 7 may cause some confusion in that it includes both voluntary contributions and those aspects treated as material considerations in the planning process. It therefore may be ambiguous whether the recommendation given in the document ("*Scottish Government recommends a community benefit package for onshore wind developments with a* *value of at least £5,000 per installed megawatt per annum, index linked for the operational lifetime of the project.*" page 8) relates to the total community benefit package (including e.g. infrastructure enhancement) or just the per MW sum of voluntary elements of community benefits (which clearly should not be part of planning considerations).

We welcome that, as part of the recommendations, "*Scottish government would like to see opportunities for increased levels of community investment explored*". (Page 8) but note this statement could be stronger. Many rural areas are recognised to be in need of economic diversification of a type which retains benefits in those areas. Externally owned wind farms create less local economic benefits than other forms of local ownership (Allan et al., 2012; Phimister and Roberts 2012). To the extent that planning decisions are framed both by development plans and government guidelines, it could be argued that the quantity and distribution of socio-economic impacts should be a material consideration even if ownership structure itself is not.

Wider evidence of the need to give special consideration to local community interests is evidenced in the latest English planning guidance on renewables (DCLG2013) where it is stated (p7) that :
'*Local planning authorities may wish to establish policies which give positive weight to renewable and low carbon energy initiatives which have clear evidence of local community involvement and leadership*.'

This gives weight to the idea that planning procedures should guide sustainable development and implicitly recognise the higher levels of local economic benefit that arise from community investment.

<u>Minor Comments</u>

With regard to community investment and the use of community trust funds, there are potential training needs, not just with respect to project development but also with respect to good governance and the effective disbursement of funds for local social and economic wellbeing. Some kind of distributed or on-line learning opportunities might be considered desirable, run or at least endorsed by bodies such as SCVO or Scottish Communities Alliance with support from the rural research and academic community.

The consultation document deals sensibly with the important questions of bounding the community and how affected parties are identified. It also rightly asserts the importance of a community plan to give guidance as to where funds might be allocated.

Section 4.2 "Support" requires some additional text to highlight that developers should suggest the links listed as providing useful resources to communities (similar to the text in section 7.3).

We suggest Housing Market Areas are added to the list of areas for developers to be aware of when identifying the benefitting community (page 17).

The boxed examples are, in general, very helpful although not all illustrate the range of issues associated with a particular section. For example, the case study on page 21 in relation to consultations covers the issues of “Where” and “Who” is involved in the consultation process but not the “What” and How” dimensions of the issue. An additional example covering these aspects would be useful.

Page 27 states that developers are not required to have ongoing input throughout the lifetime of the scheme but, later in this section, it is noted that the elements of the fund and its impact should be periodically assessed. We suggest that the latter is required over the full duration of the scheme and thus there is an expectation of some degree of ongoing input by the developers (although clearly this will vary over time in nature and magnitude).

Given the agenda towards low carbon economies and the role that renewables play in achieving this target, we would have expected greater emphasis to be placed on uses of community funds which are consistent with such a reduction in uses of carbon.

References:

Allan, G., McGregor, P. and Swales, J.K. (2011). The importance of revenue sharing for the local economic impacts of a renewable energy project: A social accounting matrix approach, *Regional Studies*, 45 (9), 1171-1186.

Phimister, E. and Roberts, D. (2012) The role of ownership in determining the rural economic benefits of on-shore wind farms, *Journal of Agricultural Economics*, 63(2), 331-360.