



Securing community benefits from Renewable Energy Developments on the national forests and land

1. Introduction

This document provides guidance for Developers on their role in the process for agreeing project specific community benefit arrangements. It recognises that the developers will take the lead in facilitating the process.

2. The role for developers

It is expected that developers will:

- make available information on project specific community benefit options;
- ensure that relevant Community Councils¹, Local Authorities and other key community bodies are aware of this information;
- inform Forestry and Land Scotland (FLS) of the option that is preferred by the community, supported by a record of the process used to agree this (including where possible evidence of support from Community Councils, Local Authorities and key community bodies);
- enter into formal agreement regarding community benefits with a "community vehicle"; and
- if agreement cannot be reached through developers standard methods for agreeing community benefit payments and efforts by community support organisations² fail to resolve the situation, then work with local authorities to identify a suitable vehicle for receiving community benefits.

3. The role for communities

It is expected that interested communities will:

- carefully consider the information about project specific community benefit options made available by the developer at each stage of the process;
- work with other community bodies that may be interested, including relevant Community Councils to discuss and agree which option is preferred (e.g. conventional benefit payment and / or opportunity to invest), and how they will work together to finalise community arrangements;

¹ Relevant Community Councils are those whose area is within or adjacent to the development site and/or where the communities they represent are impacted by the development e.g. in terms of landscape impact or in terms of disruption caused by construction activity and traffic.

² E.g. Local Energy Scotland, Development Trusts Association Scotland, Scottish Council for Voluntary Organisations etc.

- inform the developer in writing as to which community option is preferred providing evidence of wider community support e.g. records of public meetings, letters of support, petitions etc.;
- seek appropriate independent advice on the specific options before finalizing arrangements;
- identify or establish a single "community vehicle"³ (CV) to enter into a formal agreement with the developer to either receive community benefit payment or manage the community investment⁴;
- produce a Community Development Plan⁵ - to provide a framework within which to manage income from community benefit (to be shared with and where necessary agreed by developer); and
- reach a formal agreement with the developer regarding the specific community benefit option will be finalised.

For information about the Scottish Government's Community and Renewable Energy Scheme (CARES) visit www.localenergyscotland.org or Freephone 0808 808 2288. CARES provides free, impartial advice to communities, rural businesses and land managers, including support to access grant and loan funding, so that they can benefit from local renewable energy generation.

4. The role for Forestry and Land Scotland

It is expected that FLS will:

- provide the developer with any information it has on key community bodies and act as a sounding board throughout the process. FLS will notify developers as to whether they agree or disagree with any decisions developers have taken as regards community benefit options or whether a developer's process requires further work;
- inform communities of sources of independent advice; and
- confirm that a satisfactory process for providing community benefits has been undertaken before finalising site leases with developers. This will include confirming that FLS is happy with the decisions that a developer has taken as regards community benefit options.

³ The "community vehicle" must reflect the definition of "an appropriate community organisation", as defined in Annex 1 to this document, or if not, must be under the control of community organisation(s) that match that definition.

⁴ The key operating principles for the community investment option include that it remains under local community control (further described in Annex 1)

⁵ Guidance on Community Development plans is provided in section 8 of the "community renewable energy toolkit"

5. Community principles

Our Guidance Note, [Definition of an appropriate community organisation](#), outlines the general operating principles for communities managing community benefit from developments (under either the payment or investment options). These can be summarised as:

- Local community control: the "community vehicle"(CV) must reflect the definition of "an appropriate community organisation", or if not, it must be under the control of community organisation(s) that match that definition.
- Wider community benefit: the benefit derived from the arrangements should be focused on benefiting the whole community rather than just some individuals in the community.
- Appropriate funding sources: the source of investment funding cannot prejudice the ability of the project to generate revenue through the Renewable Obligation Certificate (ROC)/[Feed in Tariff \(FiT\)](#)/Contracts for Difference (CFD) or other similar scheme e.g. a grant made from public funds towards any costs of purchasing or installing the installation.

6. Published guidance

The Forestry Commission had previously produced a [toolbox](#) to help promote best practice in relation to public engagement activities. In addition, the Scottish Government's [Community and Renewable Energy Scheme \(CARES\) Toolkit](#) contains information, advice, and details of possible funding sources for communities seeking to get involved in renewable energy projects. Such guidance will be refreshed as necessary.