

Report

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Report to:	Enterprise Services Committee
Date of Meeting:	3 September 2013
Report by:	Executive Director (Community and Enterprise Resources)

Subject:	Whitelee Renewable Energy Fund - Grant to East Renfrewshire Council
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ seek approval for an application to the Whitelee Renewable Energy Fund from East Renfrewshire Council

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that a grant of £29,671 (excluding management fee) be awarded to East Renfrewshire Council towards the management and maintenance of the access works at Whitelee Windfarm, subject to match funding for the project being secured and written confirmation of all funding being received by the Council.

3. Background

- 3.1. The Enterprise Resources Committee of 27 June 2007 approved the setting up of a Renewable Energy Fund (REF) in respect of Whitelee Windfarm and the administrative arrangements associated with the allocation of funds.
- 3.2. The Fund is financed from payments from Scottish Power who operate the Whitelee Windfarm. To date Scottish Power have made payments into the Whitelee Fund of £784,493.63 including interest.
- 3.3. The REF is administered by Regeneration Services who have responsibility for advising potential applicants, assessing applications and monitoring projects to ensure that the community benefits associated with each project are delivered.

4. Proposals East Renfrewshire Council

- 4.1. The Enterprise Resources Committee on 27 June 2007 approved a Section 75 Agreement which placed an obligation on the Council to jointly prepare and implement an access strategy for Whitelee Windfarm. A maximum of 31 months of community benefit income was ring fenced for these works.
- 4.2. The maintenance of these access works can utilise up to 40% of the community benefit monies received each year.

- 4.3. A ranger service is presently employed which significantly reduces the ongoing costs of maintenance over the longer term, allowing more funds to be diverted towards assisting with community projects. The ranger service comprises two full time rangers employed by East Renfrewshire Council on three year contracts who offer a proactive management service and are also able to promote responsible access to a wide range of users.
- 4.4. Those elements of maintenance within the South Lanarkshire boundary which cannot be undertaken by the ranger service will be competitively tendered. The remainder of the grant requested will contribute towards the costs of the ranger service.
- 4.5. The project will be managed by the Whitelee Access Officer who is jointly employed by South Lanarkshire Council, East Renfrewshire Council and East Ayrshire Council and who reports on a regular basis to the three authorities across the boundaries of which the windfarm is located.
- 4.6. The total eligible cost of the project is £82,420. The proposed grant from Whitelee REF is £29,671 (with a management fee of £1,500) equating to an intervention rate of 36%. The remaining funding will be contributed by East Renfrewshire Council. The proposed grant is the South Lanarkshire Council pro rata share of the maintenance costs across the respective local authority areas.
- 4.7. This application scored 25 from a possible total of 32 during the assessment process.

5. Employee Implications

- 5.1. This grant will allow for the continuation of the ranger service.

6. Financial Implications

- 6.1. To date, Scottish Power has made payments into the Whitelee Fund of £784,493.63 including interest.
- 6.2. The Enterprise Resources Committee approval to utilise 31 months of income from Whitelee REF towards the access works and associated costs equates to a total of £265,248, leaving an available budget of £501,108.23 for projects, with £350,775.76 (70%) excluding interest to be utilised through the main REF.
- 6.3. Whitelee REF has already committed funds of £328,097.48 towards projects from this budget of £350,775.76. A further payment of approximately £120,000 is due for receipt in October 2013. There are sufficient funds available, therefore, to meet the total of £31,171 detailed within this report.

7. Other Implications

- 7.1. The risks associated with the project are focussed on the potential for cost overruns or delays to the programme.
- 7.2. The applicant has indicated that any cost increases will be managed within their present budget subject to agreement from the REF on any changes to the proposed project. This is highly unlikely to have an impact on the Council.
- 7.3. Delays to the programme will have no impact on the Council.

- 7.4. Without the contribution from the Renewable Energy Fund, it is highly unlikely that the project will proceed.
- 7.5. There are no implications for sustainability in terms of the information contained within this report.
- 8. Equality Impact Assessment and Consultation Arrangements**
- 8.1. This report does not introduce a new policy, function or strategy and therefore no impact assessment is required.
- 8.2. All necessary consultation arrangements have taken place.

Colin McDowall
Executive Director (Community and Enterprise Resources)

8 August 2013

Link(s) to Council Values/Objectives

- People focused
- Improve the quality of the physical environment
- Sustainable development

Previous References

- Executive Committee Report on Community Benefit – 3 March 2004
- Enterprise Resources Committee Report - Whitelee Windfarm Renewable Energy Fund – 27 June 2007

List of Background Papers

- Completed REF Grant Application Form dated 31 July 2013 received from East Renfrewshire Council.
- Completed REF assessment form dated 1 August 2013 received for East Renfrewshire Council.

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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