

Report

10

Report to:	Enterprise Services Committee
Date of Meeting:	17 May 2016
Report by:	Executive Director (Community and Enterprise Resources)

Subject:	Community Benefit Funds – Annual Report
----------	--

1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise the Committee of the Community Benefit Funds administered by Planning and Economic Development Services on behalf of the Council during 2015/2016.
- ◆ provide an update on the improvement actions implemented following an independent review of the funds in 2014 and an internal audit during 2015.

2. Recommendation(s)

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

- (1) that the ongoing success of the Community Benefit Funds administered by the Council and the grants awarded under the Renewable Energy Fund, Clyde Windfarm Fund and Quarry Funds in 2015/2016 be noted.
- (2) that the introduction of an online application process and associated improvements to the administration and management of Community Benefit Funds be noted.

3. Background

- 3.1. The Community Benefit Funds have grown to include a total of 21 contributing developments. In 2004, Blacklaw was the first of 20 windfarms which now comprise the Renewable Energy Fund (REF). The Clyde Windfarm Community Benefit and Development Fund began in 2011 and is the largest fund.
- 3.2. The Funds are administered by Planning and Economic Development Services who are responsible for all aspects, from securing the contributions from the developers to advising potential applicants, assessing applications and monitoring projects to ensure that the community benefits associated with each project are delivered. The Service continually seeks ways to maximise the community benefit for all eligible communities in South Lanarkshire.
- 3.3. Between the various funds Planning and Economic Development Services administer, approximately £1,592,589 of community benefit annually. The funds usually receive income for the duration of the windfarm operational life and, typically, recurring annual payments will rise in line with the Retail Prices Index (RPI).

- 3.4. Alongside these established windfarm developments and their associated community benefit funds, there are a number of other potential wind farm developments throughout South Lanarkshire which are being considered in the statutory planning process. It is possible that, subject to consents and negotiations, the level of community benefit could increase significantly over the next 10 years. If promoted and managed well, this increase in community benefit will have a major positive impact on the eligible communities.
- 3.5. The operation of the Council's Community Benefit Policy, with particular emphasis on the renewable energy sector, is proving to be a success, with the communities affected accessing funding for a diverse range of community based projects.
- 3.6. Although Planning and Economic Development Services lead in the delivery of community benefit, there is a significant level of consultation and cooperation across a wide range of Council services. This ensures the appropriate level of community benefit is received, that the projects brought forward by community groups best fit the needs of the wider communities and can be delivered in the most efficient and effective way possible. This includes direct assistance from Council services to community groups where they may require advice or information to deliver aspects of a project.

4. REF Projects Approved During 2015/2016

- 4.1. There are now 20 windfarm developments contributing to the REF operating across South Lanarkshire at the following locations:- Blacklaw, Whitelee, Pates Hill, Muirhall, North Brackenridge, Tanhill, Upper Haywood, Millburn, Haspielaw, Dykehead, Nutberry, Bank End Rig, Lampits, Calder Water, West Browncastle, Burnbrae, Blantyre Muir, Climpy, Muirhall Extension and Andershaw.
- 4.2. During the course of 2015/2016, contributions of £740,303 have been received from the operating companies into the REF, encapsulating both annual payments and "one off" payments from smaller developments. A total of 29 projects have been supported with total grants of £757,533 towards total project costs of £7,906,862, giving an average grant award of £26,121 towards an average project cost of £272,650 – a 10% intervention rate. A complete list of projects supported in the last year is attached at Appendix A.

5. Clyde Wind Farm Fund Projects Approved During 2015/2016

- 5.1. During 2015, the Clyde Wind Farm Community and Development Fund received contributions of £852,286 from Scottish and Southern Energy (SSE) and supported 42 new projects with a combined grant award of £444,888. The overall value of these projects was £750,749, giving an average grant award of £10,592 towards an average project cost of £17,874 - a 59% intervention rate.
- 5.2. A diverse range of community groups have benefited from access to these funds. A complete list of projects supported in the last year is attached at Appendix B. The Fund has been promoted across the eligible area which has resulted in a substantial number of applications for grant support.

6. Quarry Fund

- 6.1. In 2008, the Council also established a Quarry Fund for the collection and distribution of 'Developer Contribution' payments from such developments. The Quarry Fund model was developed from the experience gained in the development and management of the Renewable Energy Fund.

6.2. Agreements have been reached with a total of 8 developments to date to provide contributions to the Quarry Fund. Total monies received to the end of the 2015/2016 financial year total £65,057 from the participating quarries as the eligible developments begin to come on stream. £5,940 was received in 2015/2016. No grants were awarded from this fund so that the fund balance could increase to allow future applications to be supported.

7. Renewable Energy Fund Improvement Plan

7.1. An internal audit of the REF was undertaken in 2015 and, overall, it concluded that the program was satisfactorily run and provided an action list detailing areas to be improved. This complements the improvement plan being implemented following an earlier external evaluation of the fund undertaken in 2013 by EKOS Consultancy.

7.2. In response to the external evaluation and internal audit comments, an action plan to implement a series of improvements has been developed by Planning and Economic Development Services as follows:-

- creation of a new online system for managing applications
- reduced and simplified application form
- formalised and recorded project enquiries
- clearer delineation of application candidate supporting officer and subsequent assessing officers
- the ability to track all stages of an applications progress
- new separate fund guidelines and brochure
- post award customer satisfaction surveys linked to grant payment mechanism
- introduction of key performance indicators linked to objectives of South Lanarkshire Council and Community Planning Partners

The on-line application system is now live. Further improvements will be made and concluded during 2016/2017.

8. Employee Implications

8.1. Additional funds are managed within existing resources and there are, therefore, no employee implications.

9. Financial Implications

9.1. There are no financial implications other than those raised within the body of the report.

10. Other Implications

10.1. The only risks falling on the Council in the administration of Community Benefits are reputational. Management of the funds are subject to the Council's normal financial scrutiny and reporting arrangements. By not undertaking this work, the Council would not be acting consistently in support of its adopted policy and there would be a risk that funds would not be distributed timeously and equitably to appropriate, eligible community organisations.

10.2. There are no implications for sustainability in terms of the information contained within this report. The underlying basis of the Community Benefit funding is to support local community groups and organisations become more sustainable.

11. Equality Impact Assessment and Consultation Arrangements

11.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.

11.2. All necessary and appropriate consultations are undertaken within the Council, with partner organisations and community groups.

Michael McGlynn
Executive Director (Community and Enterprise Resources)

15 April 2016

Link(s) to Council Values/Objectives

- Achieve efficient and Effective use of resources
Strengthen partnership working, community leadership and engagement
- Develop a sustainable council and communities

Previous References

- Enterprise Services Committee Report – Community Benefits Funds Annual Report
5 May 2015

List of Background Papers

- South Lanarkshire Renewable Energy Fund Evaluation – EKOS South Lanarkshire
Council Renewable Energy Fund Internal Audit
- List of all projects supported by the REF Community Benefit Funds
- List of all project supported by the Clyde Windfarm Community and Development
Fund

Contact for Further Information

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

Stuart Hodge, Project Development Officer, Planning and Economic Development Services
Ext: 4759 (Tel: 01698 454759)
E-mail: stuart.hodge@southlanarkshire.gov.uk

John Archibald, Project Development Officer, Planning and Economic Development
Services
Ext: 5181 (Tel: 01698 455181)
E-mail: john.archibald@southlanarkshire.gov.uk

Appendix A

Renewable Energy Fund Projects 2015/2016

Bankend Rig

Organisation	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant award
Outreach	Church	Strathaven	Acquisition of Building	£150,000	50%	£75,000
W3ST	Sports	Strathaven	Installation of 3G synthetic pitch	£700,000	14%	£100,000*

*Award split between Bankend Rig and Calder Water

Blacklaw

Organisation	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant award
Carluke Development Trust	Development Trust	Carluke	Construction of new Play Area.	£158,000	45%	£72,000
The Haven	Charity	Forth	Construction of new building for palliative care.	£500,000	34%	£169,703*
Families like us	Social Enterprise	Carluke	Purchase of sensory equipment	£5,514	91%	£5,000
Lanark Community Council	Community	Lanark	Production of Lanark Walks Brochure	£1,554	100%	£1,554
Regal Cinema	Community	Lanark	Feasibility and survey work	£3,824	100%	£3,824
Lanark Museum Trust	Community	Lanark	Upgrade to heating system	£5,302	94%	£5,000
New Lanark CARS	Public Body	New Lanark	Contribution towards CARS Scheme in New Lanark	£4,500,000	3%	£125,000

*Award split between Blacklaw and Muirhall

Blantyre Muir

Organisation	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant award
The Town House	Local Authority	Hamilton	Installation of external lighting around Town House (listed building)	£41,616	14.07%	£5,856
Happy n Healthy	Development Trust	Cambuslang	Feasibility Study	£5,000	100%	£5,000
Quarter Boolin Club	Sports	Quarter village	Upgrade works to kitchen and ladies toilet	£5,870	85.17%	£5,000

Calder Water

Organisation	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant award
Chapelton Bowling Club	Sports	Chapelton	Shutters for pavilion doors and windows	£3,787	100%	£3,787
Strathaven Town Mill	Community	Strathaven	Business Plan	£5,000	100%	£5,000
Strathaven Town Mill	Community	Strathaven	Disabled Toilet	£4,187	100%	£4,187

Haspielaw

Organisation	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant award
The Town House	Local Authority	Hamilton	Installation of external lighting around Town House (listed building)	£41,616	30%	£12,484*

*Award split between Haspielaw and Blantyre Muir

Muirhall (Formerly Stallashaw Moss)

Organisation	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant award
WAT IF	Community Group	Woolfords	Environmental Improvements to village.	£29,994	17%	£5,000
Carnwath Golf Club	Sports	Carnwath	Clubhouse Upgrade work.	£51,000	40%	£20,400
The Haven	Charity	Forth	Site Investigations prior to proposed new build development.	£3,400	100%	£3,400
Carnwath Childrens Gala Committee	Community Group	Carnwath	Purchase PA system for community groups usage	£5,182	96%	£5000
Auchengray Church Centre	Church	Aucehnggray	Refurbishment of windows in B listed building	£63,166	21%	£13,000

Nutberry

Organisation	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant award
Lesmahagow Community Football Trust	Sports	Lesmahagow	Feasibility study to establish viability of community football facility at Craighead Park	£4,800	100%	£4,800
Coalburn Miners Welfare	Charity	Coalburn	Phase 2 of Heating System improvements.	£5,693	88%	£5,000
Douglas Water and Rigside RA	Community Organisation	Rigside	Installation of Memorial / Seating Area.	£3,590	100%	£3,590
Coalburn Miners Welfare	Charity	Coalburn	Part installation of LED Lighting.	£4,606	100%	£4,606

Tanhill

Organisation	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant award
Larkhall Bowling Club	Sports	Larkhall	Clubhouse Improvements	£19,100	40%	£7,640

Whitelee

Organisation	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant award
South Lanarkshire College	Public Body	East Kilbride	Construction of BREEAM Rated Facility for education.	£1,500,000	3%	£50,000
Eddlewood Bowling Club	Sports	Hamilton	Purchase of grounds maintenance equipment.	£5,806	86%	£5,000
East Renfrewshire Council	Local Authority	Whitelee	Management and Maintenance Works at Whitelee Windfarm	£79,255	40%	£31,702

Appendix B
Clyde Windfarm Projects 2015/2016

Organisation	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant award
Rigside and Rural Communities Nursery	School	Rigside	Stories and Songs project	£37,767	75%	£28,325
Friends of Crawfordjohn Heritage Venture	Community	Crawfordjohn	Music awareness project	£4,930	100%	£4,930
Biggar Primary PC	School	Biggar	IT skills project	£4,000	100%	£4,000
Biggar Rugby Football Club	Sports	Biggar	Development of new pitches	£500,000	50%	£250,000
Leadhills Golf Club	Sports	Leadhills	Course bridge improvements and junior golf lessons	£4,988	100%	£4,988
Crawfordjohn Heritage Venture Trust	Community	Crawfordjohn	Editing and publication of book about local school	£2,060	100%	£2,060
Jacks' Garage Community Interest Company	Community	Rigside	Promotional activity to develop awareness of organisation	£1,000	100%	£1,000
Thankerton Improvement Group	Community	Thankerton	Youth art classes	£4,843	100%	£4,843
Biggar Music Development Group	Community	Biggar	Recording of a CD to promote local musicians	£5,000	100%	£5,000
Biggar Kirk	Church	Biggar	Media equipment supply and installation	£9,270	44%	£4,110
Lamington Primary	School	Lamington	After school theatrical skills development project	£1,500	100%	£1,500
Biggar Farmers Club	Community	Biggar	Supply and upgrade of mobile toilet block	£5,000	100%	£5,000
Coulter Primary	School	Coulter	Lego project	£2,949.99	100%	£2,949.99
Coulter Primary Afterschool club	School	Coulter	Transport support for series of after school activities	£2,030	100%	£2,030
Leadhills and Wanlockhead Railway	Community	Leadhills	Tamping, track maintenance machine	£25,000	48%	£12,000
Roberton WRI	Community	Roberton	2015 classes	£1,950	97%	£1,900
Roberton Gardening Club	Community	Roberton	Education outing to historic garden	£3,730	44%	£1,630
Crawford and Elvanfoot cc	Community	Crawford	Environmental improvements to Crawford and	£4,905	100%	£4,905

			Elvanfoot			
Biggar high school	School	Biggar	Framing project to promote pupils artwork	£4,500	100%	£4,500
Biggar theatre Workshop	Community	Biggar	take over of public toilets	£16,250	52%	£8,400
GANDL	Community	Various	Community cinema trial	£4,401	100%	£4,401
Upper Clyde Parish Church	Church	Abington	Choir Concert	£1,070	100%	£1,070
Lamington Primary	School	Lamington	Transport	£2,270	100%	£2,270
Leadhills Library	Community	Leadhills	Big draw art project	£532	100%	£532
Biggar Little Festival	Community	Biggar	consultancy	£4,704	100%	£4,704
Leadhills primary parent council	School	Leadhills	Leadhills through years project	£4,450	100%	£4,450
Leadhills CC	Community	Leadhills	Village notice boards for Leadhills	£3,696	78%	£2,896
Biggar Institute	Community	Biggar	Creation of kitchen	5244.32	100%	5244.32
Roberton WRI	Community	Roberton	Roberton Hall kitchen equipment	£3,270	100%	£3,270
Quothqan and Libberton Hall	Community	Quothqan	Hall improvements	£24,509	51%	£12,500
The Corn Exchange	Community	Biggar	Stage improvements	£4,600	100%	£4,600
Crawford PS PC	School	Crawford	Theatre trip	£1,075	100%	£1,075
Biggar Pipe Band	Community	Biggar	Branding and publicity project	£2,990	100%	£2,990
Crawford Bowling Club	Sports	Crawford	Specialist lawn maintenance machinery	£4,995	100%	£4,995
Biggar Embroiderer's	Community	Biggar	School pupil skills development project	£840	100%	£840
Gillespie Centre	Community	Biggar	Facility sustainability project	£20,000	50%	£10,000
Abington BC	Community	Abington	Youth bowling equipment and clubhouse improvements	£4,980	100%	£4,980
Crawford CC	Community	Crawford	Micro Grant scheme	£3,000	100%	£3,000
Leadhills CC	Community	Leadhills	Micro Grant scheme	£3,000	100%	£3,000
Biggar CC	Community	Biggar	Micro Grant scheme	£3,000	100%	£3,000
Thankerton CC	Community	Thankerton	Micro Grant scheme	£3,000	100%	£3,000
Symington CC	Community	Symington	Micro Grant scheme	£3,000	100%	£3,000