

Report

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Report to:	Enterprise Resources Committee
Date of Meeting:	23 November 2011
Report by:	Executive Director (Enterprise Resources)

Subject:	Renewable Energy Fund - Proposed Changes
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ consider proposed changes to the operation of the Renewable Energy Fund

2. Recommendation(s)

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

- (1) that a revised scoring matrix is introduced with an increased intervention rate of up to 60% match funding for eligible capital projects subject to demand and availability of funds, and for elements that actively promote equality of opportunity
- (2) that a community consultation process is introduced for applications to future Renewable Energy Funds.

3. Background

3.1. At the Executive Committee meeting of 3 March 2004, approval was given to set up a Renewable Energy Fund in respect of Blacklaw Windfarm, and to the administrative arrangements associated with the allocation of funds. Since then, the Enterprise Resources Committee has approved similar schemes at Whitelees, Stallashaw Moss and Pates Hill using the REF model.

3.2. To date, just under £1.7m of community benefit funds have been lodged in the REF by the various windfarm developers.

3.3. The Renewable Energy Fund is administered by Regeneration Services in Enterprise Resources who have responsibility for advising potential applicants, assessing applications and monitoring projects to ensure that the community benefits associated with each project are delivered. Having considered how the schemes have been running over the last four years, a number of amendments are proposed for consideration below.

4. Proposed Changes

4.1. The present Renewable Energy Fund offers successful applicants a grant of up to 50% towards eligible capital costs. The exact intervention rate for each project is based on the scoring table detailed below:-

Score	Intervention Rate
28 – 32	Up to 50%
24 – 27	Up to 45%
20 – 23	Up to 35%
16 – 19	Up to 30%

- 4.2. The existing system has operated well to date but, in recognition of the current challenges to attract external funding sources by community and voluntary groups and the limited flexibility of the present scoring system, a revised scoring matrix and increased intervention rate has been devised.
- 4.3. The proposed change would see a matrix introduced with an increased maximum intervention level of up to 60%. Awards of grant will continue to be subject to both demand and availability of funds. The revised matrix would be as follows:-

Score	Intervention Rate
31 – 32	Up to 60%
29 – 30	Up to 55%
27 – 28	Up to 50%
25 – 26	Up to 45%
22 – 24	Up to 40%
19 – 21	Up to 35%
16 – 18	Up to 30%

- 4.4. The various intervention rate bands will provide a better fit for applicants whilst the increased intervention rate potentially reduces the number of funding sources required for a project to proceed. It is also proposed that any elements of a project that actively promote equality of opportunity should receive a higher level of intervention for these elements.
- 4.5. In order to improve and increase community consultation in relation to REF applications to potential future windfarm developments, it is proposed that the windfarm developer, in conjunction with the relevant Community Councils (or other formally constituted groups where Community Councils do not exist) within the 10km application area of the participating development, should have the option to establish an appropriate constituted community group with 2 representatives drawn from all of the eligible Community Councils. This model was adopted for Clyde Windfarm and agreed by the Committee.
- 4.6. Regeneration Services would consult with the local community, via newly formed Community Consultation Groups, in relation to each application received. This step will ensure that communities around each participating development are aware of the applications being submitted and provides a formal avenue for representations to be noted as part of the assessment process. Groups' views on each application would be incorporated into the Committee reports but the Council would not be bound to accept the views of any Group. This consultation would be on the basis of a 3 week turnaround time.

5. Employee Implications

- 5.1 There are no employee implications arising from this report.

6. Financial Implications

- 6.1. Any future award of grant from any Renewable Energy Fund would be dependent upon there being sufficient funds available to meet demand.

7. Other Implications

- 7.1. There are no risks to the Council associated with this report. Any monies which are not expended on approved projects are returned to increase the available monies for future projects.

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.

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Executive Director (Enterprise Resources)

27 October 2011

Link(s) to Council Objectives/Improvement Themes/Values

- Improve health and increase physical activity
- Improve the quality of the physical environment
- Effective and efficient use of resources
- Partnership working, community leadership and engagement
- Increase participation in arts and culture

Previous References

- Enterprise Resources Committee on Whitelee REF - 27 June, 2007
- Enterprise Resources Committee on Pates Hill REF – 14 September 2011
- Enterprise Resources Committee on Stallashaw Moss - REF 15 June 2011

List of Background Papers

None

Contact for Further Information

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

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