

Report

Report to:	Community and Enterprise Resources Committee
Date of Meeting:	4 June 2019
Report by:	Executive Director (Community and Enterprise Resources)

Subject:	Community Benefit Funds – Annual Report
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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 2018/2019.

2. Recommendation(s)

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

- (1) that the Community Benefit Funds administered by the Council and the grants awarded under the Renewable Energy Fund (REF), Clyde Wind Farm Fund and Quarry Funds in 2018/2019 be noted.

3. Background

- 3.1. The Council has a well-established mechanism for the collection and distribution of community benefit related to wind farm developments. This was initially set up on the approval of a report to the Executive Committee entitled Community Benefit (Establishment of a Renewable Energy Fund) on the 3 March 2004.
- 3.2. The Council administers the community benefit element of the Renewable Energy Fund (REF) for 39 wind farms within South Lanarkshire and the community benefit for Clyde windfarm and 8 operational quarries. Operators of larger windfarm developments provide recurring annual fund contributions, formalised through legal agreements, whilst smaller developments such as single wind turbines sites, may consider providing a 'capitalised' one off community benefit payment. Community groups, social enterprises, trusts, public organisations and not for profit organisations within 10km of contributing wind farm provider are eligible to apply. Over the last 5 years the Council has made grant awards of £4.78m from the Community Benefit funds to 332 projects and helped to attract an additional £19.5m to the area.
- 3.3. The agreements around the provision of community benefit oblige the Council to administer these funds using the REF mechanism. This task is undertaken by Planning and Economic Development Services who are responsible for all aspects, from securing the contributions from the developers, 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 across South Lanarkshire.

- 3.4. Between the various funds Planning and Economic Development Services administered £1,895,710 of community benefit income in 2018/2019. With the exception of the one off capitalised payments the funds usually receive income for the duration of each wind farm's operational life and, typically, recurring annual payments will rise in line with the Retail Prices Index. The operation of the Council's Community Benefit Policy, with particular emphasis on the renewable energy sector has proven to be a success with communities accessing funding for a diverse range of locally based projects.
- 3.5. Alongside these established wind farm 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 therefore possible that, subject to appropriate agreements being put in place, the level of community benefit available to communities will increase 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.
- 3.6. 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 that applicant groups are provided with the appropriate support and advice to deliver projects of a high quality and the projects brought forward best fit the needs of the communities and are delivered in the most efficient and effective way possible.

4. REF Projects Approved During 2018/2019

- 4.1. There are now 39 windfarm developments contributing to the REF operating across South Lanarkshire at the following locations:- Andershaw, Auchrobert, Bank End Rig, Blacklaw, Blantyre Muir, Burnbrae, Calder Water, Climpy, Couplaw, Dungavel, Dykehead, Eastertown, Gallawhistle, Garelwood, Greenwall, Greenhall View, Haspielaw, High Blackwoodyard, High Dyke, JJ's Farm, Lampits, Letham, Millburn, Muirhall, Muirhall Extension, Netherfauldhouse, Nether Kypeside, North Brackenridge, Nutberry, Pates Hill, Rensch Farm, Tanhill, Upper Haywood, West Browncastle, Westtown, Whitehill, Whitelee, Woodlands and Yards Farm.
- 4.2. During the course of 2018/2019, contributions of £972,530 (including interest) were received from the operating companies, incorporating both annual payments and "one off" payments. A total of 27 projects have been supported with total grants of £432,201 towards total project costs of £2,239,432 giving an average grant award of £16,007 towards an average project cost of £82,941 – a 19.2% intervention rate.
- 4.3. A diverse range of projects across South Lanarkshire have been supported by the fund and a complete list of projects supported in the last financial year is attached at Appendix A.
- 4.4. At the Council's Executive Committee on 21 November 2018 a series of amendments to the REF were approved which included, an increase for the 100% funding of small grants from a £5,000 maximum to a £10,000 maximum, availability of £5,000 to Community Councils to deliver micro grants schemes, ability for the fund to support revenue funding for up to 2 years in support of capital grants, increased focus on supporting Community Led Action Plans and increased publicity and awareness raising for the funds.

4.5 Implementation of these changes commenced in December 2018 and are partly reflected within the grant awards totals for 2018/2019. The fund in 2018/2019 supported 5 more projects than in 2017/2018 an increase of 22% and awarded £87,066 more in grants an increase of 25% on 2017/2018.

5. Clyde Windfarm Fund Projects Approved During 2018/2019

5.1. During 2018, the Clyde Wind Farm Community and Development Fund received contributions of £928,867 from Scottish and Southern Energy (SSE) and supported 39 new projects with a combined grant award of £586,560. The overall value of these projects was £829,084 giving an average grant award of £15,040 towards an average project cost of £21,258 - a 71% intervention rate.

5.2. A diverse range of projects have benefited from access to these funds. A complete list of projects supported in the last year is attached at Appendix B.

5.3. The Executive Committee at its meeting on 8 March 2017 approved a number of amendments to the Clyde Wind Farm Community Benefit Fund with the aim of increasing access and local decision making to the fund. These improvements, including 100% small grants increasing from a maximum of £5000 to £10,000 awards or £12,500 in the inner area, decision making in regard to the award of grants being devolved to the Clyde Wind Farm Community Group, availability of £5,000 to 6 Community Councils to deliver micro grants schemes and the provision of up to 2 years revenue funding to support a capital project that has benefited from a grant award.

5.4 Implementation of these changes commenced in April 2017 and the positive outcome have followed through to the grant awards totals for 2018/2019. The fund in 2018/2019 supported 10 projects more than in 2017/2018 an increase of 34% and awarded £401,532 more in grants a two fold increase on 2017/2018.

6. Quarry Fund

6.1. In 2008, the Council also established a Quarry Fund for the collection and distribution of 'Developer Contribution' payments from quarry 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. In 2018/2019 contributions from the participating quarries totalled £4,312. No call was made on these funds during 2018/2019 as enquiries were satisfied using the REF or Clyde Windfarm Community and Development Fund.

7. Employee Implications

7.1. Additional funds are managed within existing resources and there are no employee implications.

8. Financial Implications

8.1. There are no financial implications to the Council. No funding offers are issued without income from the respective developments being in place.

9. Other Implications

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

10. Equality Impact Assessment and Consultation Arrangements

- 10.1. 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.
- 10.2. All necessary and appropriate consultations are undertaken within the Council, with partner organisations and community groups.

Michael McGlynn

Executive Director (Community and Enterprise Resources)

7 May 2019

Link(s) to Council Values/Ambitions/Objectives

- ◆ Promote economic growth and tackle disadvantage
- ◆ Making communities safer and stronger and sustainable
- ◆ Focused on people and their needs
- ◆ Work with communities and partners to promote high quality, thriving and sustainable communities
- ◆ Support our communities by tackling disadvantage and deprivation and supporting aspiration
- ◆ Encourage participation in physical and cultural activities

Previous References

- ◆ Executive Committee Report – 21st November 2018 Renewable Energy Fund Community Benefit Fund Proposed Amendments
- ◆ Enterprise Services Committee Report – Community Benefits Funds Annual Report 22nd May 2018
- ◆ Executive Committee Report – Clyde Windfarm Community Benefit Fund – Proposed Amendments to Fund Management and Administration 8th March 2017
- ◆ Executive Committee 3rd March 2004 – Community Benefit and the establishment of an Renewable Energy Fund

List of Background Papers

- ◆ List of all projects supported by the REF Community Benefit Funds
- ◆ List of all project supported by the Clyde Windfarm Community Fund

Contact for Further Information

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

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Appendix A

Renewable Energy Fund Projects 2018/2019

Organisation	Windfarm	Type of Group	Project Location	Project Details	Project Cost	Intervention Rate	Grant Award
Douglas Community Projects Group	Andershaw	Community	Douglas	The Good Sir James Statue Project	£50,000.00	19.76%	£9,848.00
Paddock Residents Committee	Bank End Rig	Community	Strathaven	Paddock Park upgrade	£5,000.00	100%	£4,814.40
Friends of Strathaven Park	Bank End Rig	Community	Strathaven	Strathaven Park Sensory Garden	£120,702.00	16.55%	£19,978.66
Lanark Tennis Club	Blacklaw	Sport	Lanark	Lanark Tennis Club New Clubhouse and fence	£118,614.00	16.31%	£19,346.00
Clydesdale Community Initiatives	Blacklaw	Charity	Lanark	Langloch Community Industrial Units	£250,000.00	7.98%	£19,951.00
Hamilton South Parish Church	Blantyre Muir	Church	Hamilton	Upgrading internals of Hall Complex	£6,500.00	90.89%	£4,989.00
Strathaven Balloon Festival	Blantyre Muir	Community	Strathaven	20th Anniversary of Balloon Festival	£2,700.00	100%	£2,292.00
Stonelaw Parish Church	Blantyre Muir	Church	Rutherglen	Stonelaw Audio Visual	£3,000.00	100%	£2,784.27
Avendale Old Parish Church	Calder Water	Church	Strathaven	Renovation and Repair of Sanctuary	£195,000.00	11.16%	£19,911.00
Lanark Community Development Trust	Eastertown	Trust	Lanark	Wiston Barracks Cameronian Gateway	£18,000.00	4.72%	£8,439.65
The Rural Development Trust	Gallowhistle	Trust	Lanark/Douglas	New Garage	£100,000.00	30.00%	£29,457.00
Coalburn Miners Welfare Charitable Society	JJ's Wind Farm	Charity	Coalburn	Photocopier	£5,500.00	100%	£5,429.00
Healthy Valleys	Lampits	Charity	Lanark	Investing in Volunteers Project	£4,920.00	100%	£4,904.50
Carstairs Parish Church	Muirhall Stallashaw	Church	Carstairs Village	Carstairs Parish Rebuild	£343,849.63	5.82%	£19,999.00
Auchengray Church Centre Trust	Muirhall Stallashaw	Church	Carnwath	Heating, Insulation and Associated Refurbishment	£500,609.00	11.45%	£70,000.00
Coalburn Miners Welfare Charitable Society	Nutberry	Charity	Coalburn	Electrical Works	£3,985.00	100%	£3,985.00
Coalburn Miners Welfare Charitable Society	Nutberry	Charity	Coalburn	Upgrade Exterior of Building	£3,491.00	100%	£3,491.00
Tarbrax Bowling Club	Pates Hill	Sport	Tarbrax	New Clubhouse	£25,110.76	39.82%	£10,000.00
WAT IF	Pates Hill	Community	Tarbrax	Auchengray MUGA Floodlights	£20,000.00	34.65%	£6,000.00
East Kilbride Tennis Club	Westbrowne Castle	Sport	East Kilbride	Rejuvenation of Tennis Courts	£5,000.00	100%	£4,384.41
Larkhall Youth Pipes and Drums	Westtown	Community	Larkhall	First Notes First Steps	£6,572.00	100%	£6,572.00
Larkhall Community Growers	Westtown	Community	Larkhall	A Plan for Larkhall	£8,056.42	100%	£8,056.42
Dalserf Bowling Club	Westtown	Sport	Larkhall	Bowling Green Improvements & Double Glazing	£8,074.97	100%	£8,074.97
Hillhouse Parish Church	Whitelees	Church	Hamilton	Hillhouse Parish Church	£110,000.00	20.79%	£19,000.00
East Renfrewshire Council (Whitelees Access Project)	Whitelees	Local Authority	Thornliebank	Whitelee Countryside Ranger Service	£244,748.00	36%	£88,108.00
Kilbryde Hospice	Whitelees	Charity	East Kilbride	IT Equipment	£5,000.00	100%	£4,996.70
Community Links (South Lanarkshire)	Whitelees	Charity	Rutherglen	Blairbeth Urban Greenspace Allotments	£75,000.00	36.52	£27,389.90

Appendix B

Clyde Windfarm 2018/2019

Applicant Organisation	Type of Group	Project Location	Project that funding was sought for	Project Cost	Intervention Rate	Grant award
Tinto Gala Committee	Community	Symington	Entertainment to support annual Village Day	£3,102.00	100%	£3,102.00
Abington Bowling Club	Community	Abington	Implementation of improvements to bowling club facility	£3,846.38	100%	£3,846.38
Biggar Bowling Club	Sports Club	Biggar	Upgrade of clubhouse and grounds	£10,000.00	100%	£10,000.00
Biggar High School	Local Authority	Biggar	Investment in equipment to establish Photography Club	£8,864.22	100%	£8,864.22
Crawford and Elvanfoot Community Council	Community	Elvanfoot	Support for delivery of Community Broadband project	£49,092.00	39%	£18,946.00
MacDiarmids's Brownsbank	Community	Biggar	Feasibility study into the preservation of the building and its contents	£5,125.00	50%	£2,562.50
Biggar and District Pipe Band	Community	Biggar	Supply of musical instruments	£4,934.44	100%	£4,934.44
Leadhills Family Action Group	Community	Leadhills	Hall kitchen upgrade	£9,504.25	100%	£9,504.25
Crawfordjohn Heritage Venture Trust	Community	Crawfordjohn	Consultancy study into improvements to museum heating and ventilation system	£8,150.00	100%	£8,150.00
Biggar and Upper Clydesdale Museum	Community	Roberton	Delivery of community World War I project	£9,245.67	36.7%	£3,395.67
Abington Primary School	Local Authority	Biggar	Introduction of after school Computer Coding and Engineering Clubs	£9,998.00	100%	£9,998.00
Greenhills Care Home	Community	Crawford and Elvanfoot	Supply of trishaw and associated safety equipment	£8,239.76	100%	£8,239.76
Quothquan WRI	Community	Camps	Delivery of organisations 100th Anniversary Project	£1,558.84	100%	£1,558.84
Thankerton Improvement Group	Community	Glencaple	Community Fireworks event	£1,961.00	100%	£1,961.00
Crawfordjohn Hall Association	Community	Biggar	Supply and installation of public access Defibrillator	£1,200.00	100%	£1,200.00
Douglas Water Golf Club	Sports Club	Douglas Water	Supply of course grooming equipment	£13,500.00	74%	£10,000.00
Roberton Gardening Club	Community	Roberton	Improvements to Roberton Park	£6,941.95	100%	£6,941.95
Douglas Water and Rigside Residents Association	Community	Rigside	Improvements to Kitchen in Rigside Hall	£5,307.60	100%	£5,307.60
Leadhills Silver Band	Community	Leadhills	Collaboration project	£7,975.00	100%	£7,975.00
Biggar Little Festival	Community	Biggar	Orchestra project	£1,300.00	100%	£1,300.00
Biggar Embroiderers Guild	Community	Biggar	Delivery of Biggar Primary School poppy project	£1,143.94	100%	£1,143.94
Wiston Lodge	Community	Wiston	Building improvements including upgraded entrance and new classroom	£245,000.00	40%	£97,857.00
Biggar Rugby Football Club	Sports Club	Biggar	clubhouse upgrade	£9,950.00	100%	£9,950.00
Thankerton WRI	Community	Thankerton	100yr anniversary	£3,345.00	51%	£1,715.00
Abington Community Group	Community	Abington	school house consultancy	£10,922.00	100%	£10,922.00
Lowther Hills Ski Club	Sports Club	Leadhills	Supply and erection of snow fencing on ski slope	£3,983.35	100%	£3,983.35
Biggar Primary School Parent Teachers Association	Community	Biggar	Improvements to the school playground to encourage active play	£17,461.35	43%	£7,461.35
Biggar Young Farmers Club	Community	Biggar	Support for 75th Anniversary Concert	£18,000.00	50%	£9,000.00

Abington WRI	Community	Abington	Support for 100th Anniversary village hall upgrade project	£5,979.54	£100	£5,979.54
Duneaton Community Council	Community	Abington	Refurbishment of Abington tennis court	£75,789.00	75%	£56,841.00
Biggar and District Civic Society	Community	Biggar	Project to upgrade pedestrian signage and information boards in Biggar town centre	£34,344.00	60%	£20,600.00
Crawford WRI	Community	Crawford	100th anniversary event	£3,320.00	100%	£3,320.00
South Lanarkshire Council (Development Fund)	Local Authority	South Lanarkshire Wide	Delivery of RISE project - helping school leavers in training and employment	£200,000.00	100%	£200,000.00
Leadhills Community Council	Community	Leadhills	Micro Grant scheme	£5,000	100%	£5,000
Duneaton Community Council	Community	Duneaton	Micro Grant scheme	£5,000	100%	£5,000
Crawford Community Council	Community	Crawford	Micro Grant scheme	£5,000	100%	£5,000
Thankerton and Quothquan Community Council	Community	Thankerton	Micro Grant scheme	£5,000	100%	£5,000
Biggar Community Council	Community	Biggar	Micro Grant scheme	£5,000	100%	£5,000
Symington Community Council	Community	Symington	Micro Grant scheme	£5,000	100%	£5,000