

**NOTICE OF MOTION: COLLABORATION ON RENEWABLE ENERGY COMMUNITY BENEFIT**

Report by Chief Executive

**PURPOSE**

- 1.1 The purpose of the Report is to provide background to a Notice of Motion submitted by Cllr Gordon Murray seeking collaboration with others around the conclusion of Renewable Energy Community Benefit agreements.

**BACKGROUND**

- 2.1 The Notice of Motion calls for action on a number of lines (enumerated a] to e] below). Considerable effort has been, and continues to be, expended on these lines and these efforts are summarised in italic font after each Notice of Motion line below:

**a] To call for a summit of Chief Officers and Leaders from each local authority in the Highlands and Islands, including Comhairle nan Eilean Siar, Highland Council, Orkney Islands Council, Shetland Islands Council, and Argyll and Bute Council, to meet and agree on a unified framework for fair and just levels of community benefit from windfarm developments.** *Information is already shared and work already going on at Senior Officer level across the three Island Local Authorities to develop a unified approach to Community Benefit. Draft responses to Government consultations on Community Benefit are shared across the officer group (which meets monthly) to ensure consistency of messaging. Joint strategic work underway with the Scottish Government and Orkney and Shetland Island Councils has Community Benefit / Community Ownership as one of its three agenda items.*

*The Highland Council and Argyll and Bute Council seem keen to pursue their own vision for Community Benefit. While, through its Social Value Charter, The Highland Council (THC) aspires to a Community Benefit level of £12.5K per MW, there is little evidence that this has been achieved. This expectation of THC, in a context where Community Benefit is entirely voluntary, comprises the £5K per MW installed benchmark proposed in Scottish Government Guidance plus £7.5K per MW installed towards a Highlands-wide Strategic Fund.*

*Notwithstanding regional nuances in Community Benefit approaches, Senior Comhairle Officers sit on regional groupings whose stated aim is to share knowledge around Renewable Energy deployments and develop working models for resultant Community Benefit in the North of Scotland and the Islands. These groupings are the Highlands and Islands Regional Economic Partnership (HIREP) comprising Comhairle nan Eilean Siar, Orkney Islands Council, Shetland Islands Council, The Highland Council, Moray Council and Argyll and Bute Council and the North Territory Energy Coordinating Structure (NTECS), administered by the Scottish Futures Trust and comprising Comhairle nan Eilean Siar, Orkney Islands Council, Shetland Islands Council, The Highland Council, Moray Council, Aberdeen City Council, Aberdeenshire Council and Argyll and Bute Council.*

*Taking the example of the 'Spiorad na Mara' (Northland Power) Offshore Wind Farm, a Memorandum of Understanding, drafted by the Comhairle in consultation with the developer and the West Side land-owning Estates, has resulted directly in a formal commitment, by Northland Power, of £4.5m per annum, index linked for 35 years, for the West Side land-owning Estates (equivalent to £5K per MW installed). Discussions are ongoing with Northland Power on a contribution to the wider Outer Hebrides community which may not take the form of cash*

*(infrastructure improvements, support for energy efficiency in homes, access to affordable electricity and much more are on the table). .*

*Another example is the 'Legacy Housing' being provided by SSEN Transmission as part of their Lewis Transmission Hub project. Although not a Windfarm, the Hub will handle 1,800 MW of renewable electricity and will enable five Windfarms. Unit numbers and project economics for SSEN-T's 'Legacy Housing' are yet to be confirmed but a very rough, conservative calculation suggests that the value of SSEN-T's investment into homes which will be gifted back to the community, across a range of tenures, in 2030 already exceeds the £12.5K per MW aspiration of THC. And this is to say nothing of SSEN-T's investment in re-purposed commercial buildings, renovation of empty homes, delivery of fully serviced sites for future community use etc.*

- b] To advocate for a standardized approach to community benefit agreements that ensures a minimum proportion of windfarm revenues is reinvested directly into affected communities, reflecting the scale of development and its local impact.** *At political level, the three Island Local Authorities are engaged in presenting a clear, unified 'ask' for a realistic level of Community Benefit to be mandated by Government. At present, Scottish Government Guidance sets out a rate of £5K per MW installed for Onshore Wind but Guidance is not yet in place for Offshore Wind. In April 2025, the Comhairle responded robustly to a Scottish Government Community Benefit consultation, making many of the points that this Motion seeks to advance. At Officer level, the Comhairle is engaged in the Scottish Government's 'Review Advisory Group – Good Practice Principles for Community Benefit from Offshore Renewable Energy Developments'. This Group has been meeting regularly since October 2024 and one of its objectives is to, "Explore Community Benefit models and ways to maximise impact". Before each meeting, representatives of the three Island Local Authorities meet to ensure consistency of messaging. Community Energy Scotland and the community land-owning Estates are represented on this Group and contribute well.*
- c] To mandate the Comhairle's Chief Executive to work with counterparts in other local authorities to draft a memorandum of understanding, to be signed by all parties, committing to transparent, equitable, and locally tailored community benefit packages.** *The tripartite Memorandum of Understanding (MoU) between the Comhairle, the West Side community land-owning Estates and Northland Power has proved to be effective in terms of capturing Community Benefit for directly impacted communities. Although entirely voluntary, in the absence of any Government Guidance or legislation, the MoU has led Northland Power to formally commit £4.5m per annum, index-linked for 35 years, to the communities of West Lewis, a total population of circa 4,500. This MoU provides the basis for some additional, collaborative work, already underway, with Local Authorities across the Highlands and Islands as sought by this Motion.*
- d] To ensure that community benefit funds prioritize long-term legacy projects, including but not limited to affordable housing, renewable energy access for households, education and skills development, and infrastructure improvements, to combat depopulation and enhance quality of life.** *It would not be for the Comhairle to mandate how developer funds are spent in a particular community but the successful MoU with Northland Power was informed by the Development Plans of each land-owning Estate and the projects being pursued within these Development Plans.*

*There are many challenges but it is clear that funds must benefit public services and that is why the Comhairle continues to press for a second allocation of funding from Northland Power (and other developers in due course) towards wider Outer Hebrides priorities. Developers will not, and may not want to, fund directly the Local Authority to fill gaps in public services caused by reduced Government funding but the priorities of all communities – best roads connectivity, best education service, best care service (elderly and early years), best public transport, decarbonisation of the community etc – align closely with the services the Comhairle provides under its public duty and there is therefore the need to identify a suitable conduit for developer funding into these areas which does not fall foul of State Aid regulations and does not directly replace Government funding. In this,*

*the Comhairle is keen to ensure a community-led approach similar to that used with the Northland Power MoU.*

- e) **To engage with community organizations, such as Community Energy Scotland and local land trusts, to ensure that community voices shape the allocation of these funds.** *As reported above, Community Energy Scotland and the community land-owning Trusts are key partners in the cross-island effort to secure maximum Community Benefit from windfarm developments across the region. These community interests are present at many of the various Renewable Energy fora currently meeting around this issue and there is renewed engagement between the Comhairle and Community Power Outer Hebrides on Community Benefit aspirations.*

## **RECOMMENDATION**

- 3.1 It is recommended that the Comhairle notes the work already been done in respect of the matters set out in the Notice of Motion and considers the Notice of Motion.**

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Appendix: None  
Background Papers: None

## **IMPLICATIONS**

- 4.1** The following implications are applicable in terms of the Report.

<b>Resource Implications</b>	<b>Implications/None</b>
Financial	None
Legal	None
Staffing	None
Assets and Property	None
<b>Strategic Implications</b>	<b>Implications/None</b>
Risk	None
Equalities	None
Corporate Strategy	The proposal supports delivery of Corporate Strategy Priorities: Deliver Community Leadership, Strengthen the Local Economy and Support Caring and Resilient Communities and Quality of Life.
Environmental Impact	None
Consultation	None