

EAST AYRSHIRE COUNCIL

CABINET – 26 OCTOBER 2011

RENEWABLE ENERGY FUND

Report by the Depute Chief Executive/Executive Director of Neighbourhood Services

1 PURPOSES OF REPORT

- 1.1 The purpose of this report is to update Cabinet on the current budgetary position for the Renewable Energy Fund (REF) and seek approval for current funding requests.

2 BACKGROUND

- 2.1 At the meeting on 15 September 2010, Cabinet agreed a report on the Renewable Energy Fund following a consultation exercise regarding the proposed procedures for the operation of the Fund. All applications for funding from the Renewable Energy Fund require Cabinet approval.

3 CURRENT BUDGETARY POSITION

- 3.1 In the current financial year 2011/12 there is £72,000 available for disbursement for projects within the 10km eligible area. It is anticipated that approximately £72,000 will be available for the financial year 2012/3, however this figure may increase if further wind turbines are erected in accordance with the planning consents that are in place.

4 REQUESTS FOR FUNDING

- 4.1 The following applications are ready for consideration and have now been positively assessed with consultation undertaken with Members and Community Councils within the eligible area (i.e. within 10km of Whitelee Windfarm). All of the projects meet the criteria of the Renewable Energy Fund as they are all Community based projects with a clear environmental theme.
- 4.2 All of the consultation responses offer support for each project although one response did question, in relation to the East End Garden Project by the Darvel Improvement Group, the high percentage of grant to be provided from the REF. [However it](#) should be noted that leverage of funds from other sources is considered as part of the application assessment process but that no limit to the percentage grant rate from the REF has been set by the Council.

(1) REF/006 – Ayrshire Rivers Trust

£8142.57 has been requested towards a total project costing of £100,820.43. The project will control Giant Hogweed and Japanese Knotweed along the River Ayr Way and Annick Water in Stewarton. The project will benefit the native flora and fauna along these water courses and will improve access for the public along the River Ayr Way within East Ayrshire.

(2) REF/008 - Darvel Improvement Group

£6,500 has been requested towards a total project costing of £7,000. The funding will be used for the upgrading of the East End Garden at the eastern gateway to the A71. This will provide an attractive approach for visitors entering the town and will add to the civic pride of the Darvel residents.

(3) REF/007 – Newmilns Ski & Sports Complex

£14,000 has been requested towards a phase 1 project costing of £887,584. Phase 1 of this project will develop the dry ski slope complex. The grant will be used to re-landscape the areas surrounding the ski slopes to help maintain the habitat for local wildlife. The Phase 1 project has secured an SRDP grant of £435,000. The External Funding & Sustainability Officer has been working with the project team to fill the funding gap for Phase 1. Announcements regarding the project funding submissions to SCORE Environment and Sports Scotland are imminent.

It should be noted that a condition of the SRDP grant is that it must be spent by the end of December 2012. Consideration is therefore requested to allow the earmarking of a further £7,000 from the 2012/13 Renewable Energy monies to allow completion of the habitat element of the project within the given time restraints. There would be no release of these monies prior to commencement of April 2012 and only once the full funding package is in place. This request for earmarking of funds has only been considered due to the strategic nature of this project and the spend date of the SRDP award.

5 POLICY AND LEGAL IMPLICATIONS

- 5.1 Any proposal to utilise monies paid to the Council in terms of Policy CS15 of the Adopted East Ayrshire Local Plan must support local projects within a 10 kilometre radius of the boundary of the windfarm.
- 5.2 Any offer of a Renewable Energy Fund grant will be subject to the same standard conditions applied by the Council under the Community Grant Scheme and such other terms and conditions deemed necessary by the Head of Planning and Economic Development in consultation with the Solicitor to the Council to protect the interests of the Council.

6 FINANCIAL IMPLICATIONS

- 6.1 The Renewable Energy Fund is managed in accordance with the Council's approved Accountancy Policy Bulletin procedures which together with appropriate terms and conditions of grant should minimise any financial risk to the Council.

7 RISK MANAGEMENT IMPLICATIONS

- 7.1 It will be a condition of any grant that where appropriate, Public Liability and other insurance cover will be required. In addition evidence that projects are undertaken and completed in accordance with all relevant warrants, consents, approvals and current Health & Safety legislation and guidelines will be sought. Any other identified risk management implications dependent on the nature of the project such as the requirement for consent from other agencies or bodies will require to be addressed within the terms and conditions of any offer of grant.

8 COMMUNITY PLANNING AND POLICY IMPLICATIONS

- 8.1 The projects supported through the Renewable Energy Fund will contribute to the achievement of the objectives of the Delivering Community Regeneration of the East Ayrshire Community Plan.

9 RECOMMENDATIONS

- 9.1 It is recommended that Cabinet:-

- (i) **Agree to support the funding applications identified in Section 4 above and otherwise note the contents of the report.**

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Depute Chief Executive / Executive Director of Neighbourhood Services

(LS/KD)

19 October 2011

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