

**EAST AYRSHIRE COUNCIL**  
**CABINET – 4 NOVEMBER 2009**

**PROCEDURES FOR THE OPERATION OF THE RENEWABLE ENERGY FUND**

**Report by Depute Chief Executive/ Executive Director of Corporate Support**

**1 PURPOSE OF REPORT**

**1.1** The purposes of this report are to. –

- a) Update the Cabinet regarding the establishment of a Renewable Energy Fund (REF),
- b) Present to Cabinet proposals for the ingathering of contributions to the REF;
- c) Present to Cabinet proposed principles for the disbursement and detailed operation of the REF and recommend that these should form the basis of discussion/consultation with community representatives.

**2 BACKGROUND**

**2.1** At its meeting on 5 December 2007, Cabinet considered and approved a report on Windfarm Policy and agreed:-

- (1) That the revised policy relating to windfarm contributions as detailed in Paragraph 3.8 within the report, be incorporated within the finalised draft of the alteration to the East Ayrshire Local Plan and that contributions be index-linked;
- (2) To note that the Depute Chief Executive/Executive Director of Corporate Support would consider whether the Retail Price Index Link or the Fuel Index Link was more appropriate to apply;
- (3) To the establishment of a Renewal Energy Fund to be disbursed by Cabinet in accordance with the criteria set out in Paragraph 4.3 of the report i.e.
  - (a) Environmental Improvements
  - (b) Educational Projects for schools
  - (c) Improvements to local service provision e.g. community transport
  - (d) Priority to Community Environmental projects related directly to use of renewable energy and reduction of carbon footprints e.g. solar panels, community recycling initiatives, micro-renewables

- (4) To note that procedures for the operation of the Renewable Energy Fund would be presented to a future meeting of Cabinet for approval; and
- (5) To the disbursement of Whitelee Windfarm contributions beyond the initial thirty one month period (which was set aside for implementation of that part of the Whitelee Access Plan in East Ayrshire Council's area – see section 5 below) as detailed in the report.

**2.2** Since December, 2007 East Ayrshire Council has received a number of further planning applications for windfarm developments. An extension to Whitelee has already been approved by the Scottish Government. Many of the applications are of a substantial scale and if approved will result, over time, in considerable sums of money being ingathered for the Renewable Energy Fund. The REF will therefore be a very significant potential source of funding for sustainable community led environmental improvement projects.

**2.3** In accordance with the decisions of Cabinet on 5<sup>th</sup> December, 2007, and in recognition of the importance of the proposed Renewable Energy Fund to local communities, it is proposed that detailed discussions/consultations on proposals for the implementation of the REF are held with community representatives.

This report therefore presents proposals for:-

- a) The mechanism for the ingathering of contributions;
- b) The principles for the disbursement of the Fund as a basis for discussion/consultation with community representatives;
- c) The detailed operation as a basis for discussion/consultation with community representatives; and
- d) The dispersal of the Whitelee contributions so that they accord with the existing S75 Agreement for that windfarm and also to subsequent decisions of Cabinet.

### **3 RENEWABLE ENERGY FUND – PURPOSE AND PROPOSALS FOR THE INGATHERING OF CONTRIBUTIONS**

**3.1** *Purpose of Fund* The policy incorporated into the East Ayrshire Local Plan Finalised Draft with Modifications: February 2009 indicates “.....the Council will, if mindful to grant planning permission for a commercial windfarm development, require applicants to contribute to a dedicated Renewable Energy Fund, which will be used to finance sustainable community environmental projects particularly those designed to help reduce carbon emissions and counteract global warming....”

**3.2 Levels of Contribution** On 26<sup>th</sup> February, 2009, Cabinet approved the Alteration to the East Ayrshire Local Plan Finalised Draft with Modifications. Policy CS15 indicates that the standard rate of contributions will be paid annually and be set at a standard rate of £2,500 per megawatt of installed capacity per annum, index linked to 1 January, 2009.

Proposal The Depute Chief Executive/Executive Director of Corporate Support has given further consideration as to whether to apply the Retail Price Index Link or the Fuel Price Index Link and recommends that the Retail Price Index be used as this is considered to be a more stable indicator of inflation, when compared to the considerable volatility in fuel prices. It is further recommended that this be capped at a minimum of 2% and no more than 5% above RPI.

### **3.3 Legal Agreements**

Proposal It is proposed that the funds will be drawn down through legal agreements linked to the planning application process and those dealt with under the Electricity Act. These legal agreements will be negotiated with the applicant for each new windfarm or for the extension to any existing windfarm. In the case of extensions to existing windfarms a new Legal Agreement will be drawn up for each extension.

### **3.4 Holding of Funds**

Proposal It is proposed that the funds ingathered will be held in ledger accounts by the Finance Division with separate accounts being established for each windfarm development, or for each extension to a windfarm, in accordance with the revised policy.

It will be necessary to ring-fence monies for particular geographical areas in accordance with the agreed dispersal formula (i.e, "For a period of 10 years from the commencement of construction work on the windfarm, all contributions will be directed exclusively to local projects within 10 kilometres of the boundary of the windfarm. Thereafter, 50% of the contributions received will be directed towards local projects with 50% being reserved for use in the wider East Ayrshire area.") This is considered in more detail elsewhere in this report as is the particular position regarding Whitelee windfarm.

To date a ledger account has been established for Whitelee. The funds ingathered to date have been used, as agreed by Cabinet, to implement the Access Action Plan within East Ayrshire.

## **4 RENEWABLE ENERGY FUND - PROPOSED PRINCIPLES FOR THE DISBURSEMENT OF THE FUND**

- 4.1 The report to Cabinet on 5<sup>th</sup> December, 2007 suggested that proposals for the operation of the REF should be considered further by Cabinet. Two key principles are proposed and are discussed below.

Proposal      Community Consultation

Key community representatives for each consented windfarm area would be consulted regarding any application for funding through the Renewable Energy Fund as part of the assessment process and their views would be incorporated into any report to Cabinet.

It is suggested that appropriate community representatives to be consulted would be identified for each eligible area. They would include the elected members representing the particular eligible area, one representative from each of the Community Federations within the particular eligible area, and one representative from each of the Community Councils within the eligible area. There would also be a degree of flexibility to allow additional appropriate community representatives to be identified in particular areas. (see below)

Given the potential for a local member who also sits in the Cabinet having a conflict of interest, it is recommended that a local member in this position would be best advised not to offer a view at the early stage of the consultation. This would allow the said member to participate fully in the Cabinet decision and avoid a conflict of interest.

Encouragement would be given to community representatives to meet collectively with a view to obtaining consensus views on applications and to assist with the identification of future projects that might have mutual benefit.

It is anticipated that over time there may be a number of new operational windfarms or extensions to windfarms. To prevent confusion and minimise the administrative burden it is recommended that a defined list of community representatives to which grant applications are issued for consultation purposes for each consented winfarm is established.

Proposal      “Rolling” Application Process

Rather than a call being made 2 to 3 times a year for applications it is proposed that a “rolling programme” approach be adopted whereby applications to the REF would be accepted and processed at any time. Assessments and recommendations would be presented to Cabinet as and when appropriate.

This proposal would assist projects that are trying to obtain match funding from a number of sources. There are circumstances when projects fail because of the complicated timetabling of decision making and an inability to complete the funding package in accordance with the implementation

requirements of the project. The adoption of a “rolling programme” approach will therefore assist these projects greatly.

## **5 PROPOSALS FOR THE DETAILED OPERATION OF THE FUND**

**5.1 (a) *Summary of Process*** The attached flow diagram (Appendix 1) summarises the proposed process. It is based on existing grant schemes. Details of the proposed process is given below. The financial implications of these proposals are considered elsewhere in this report.

(b) *General Administration* It is proposed that the overall administration of the scheme will be undertaken by Department of Corporate Support. This includes distribution of application forms, initial assessment of applications and their subsequent registration, arrangements for detailed assessment, the gathering of community representatives’ views, preparation of spread sheets, preparation of Cabinet Reports etc and will be similar to the procedures currently used for Developers Contributions Fund applications and Match Fund applications. Implementation of the REF will result in an increase in current workloads.

(c) *Guidance on Eligible Projects* Proposed initial guidance on eligible projects has been prepared and is based on the types of projects agreed by Cabinet on 5<sup>th</sup> December, 2007 (Appendix 2.) It is expected that this guidance will require to be refined and perhaps expanded in the light of operational experience.

The Cabinet Report of 5<sup>th</sup> December 2007 also indicated a desire to achieve additional financial leverage for the contributions from other external and internal partners.

In order to encourage such opportunities to be realised, it is therefore proposed that applications may also be submitted to the REF to seek match fund support for applications for European Funding, for the creation of “Umbrella Funds” such as those made possible through the LEADER Programme and to help secure support from other sources of funding as appropriate.

Potential applicants would be encouraged to discuss proposals with appropriate advisers at the earliest opportunity to establish whether the proposed project is likely to be eligible for support through the REF and to ensure that there is awareness of the level of funds that might be available to support the project.

(d) *Eligible Area* Cabinet has agreed that for 10 years from the commencement of the construction of any windfarm all contributions will be directed exclusively to local projects. Detailed maps depicting the eligible areas will require to be prepared as construction of each windfarm commences. To date Whitelee is the only windfarm that is contributing to the REF and a map detailing the 10 km eligible area is attached.

A pragmatic approach to the interpretation of these maps is proposed. Where part of a settlement is within the 10km distance from the boundary of the windfarm then it is proposed that the whole settlement be regarded as being within the eligible area.

(e) *Eligible Applicants* The Cabinet Report of 5<sup>th</sup> December 2007 refers to the Renewable Energy Fund supporting “Community Environmental Projects”.

It is proposed that applications may be received from properly constituted Community Groups, from Social Economy Projects, from Local Authority Departments and from other appropriate Agencies. Applications from Local Authorities and Agencies will require to satisfy those assessing the applications that funding is not being sought to support activities that are a statutory responsibility. For clarification applicants may be based outwith the eligible geographical area, but the beneficiaries must be based within the eligible area and/or the monies must be spent in the eligible area within East Ayrshire.

(f) *Application Forms* The proposed application form for financial assistance from the REF along with associated information on measurable outputs/impacts, non-eligible project costs and a checklist for sustainable development is attached (Appendix 3). This application form may have to be revised in the light of operational experience.

In addition applicants will be required to complete those sections of the standard EAC Grant Application Form for Voluntary Organisations that are not included in the proposed REF form, as appropriate. This will include information such as the financial circumstances of the applicant, Disclosure issues, and a risk management assurance statement as appropriate. An enclosure checklist would also be prepared to assist applicants. (The amalgamation of both forms into a single comprehensive application form may be necessary depending on operational experience).

Given this is a new Fund it is advisable that applicants be given assistance in completing application forms.

(g) *Checklist* A proposed checklist for use by the officers administering the fund to undertake an initial assessment of eligibility of applications has been prepared. It is proposed that an application will only be registered once eligibility has been confirmed. This initial assessment will be undertaken by both the officers administering the fund and an assessing officer if required. It will be necessary for officers undertaking this initial assessment to receive appropriate training. (Appendix 4)

(h) *Assessment of Applications* It is proposed that applications will normally be assessed by appropriate officers within the Council. The proposed quantitative criteria for the assessment of REF grant applications are attached. (Appendix 5).

Applications will additionally be assessed using the standard Grant Assessment Form and procedures, as appropriate, which include the undertaking of a qualitative assessment.

Financial and risk assessments will also be undertaken. Depending on the scale and nature of the applications received these risk and financial assessments may be undertaken by the assessing officers as is current practice, or by other appropriate "in-house" officers such as in Finance and Asset Management and Planning and Economic Development or if necessary through the procurement of specialist advice.

Similarly, depending on the scale and complexity of proposed projects, the assessment of proposals for tendering may be undertaken by the assessing officers as is current practice, or by other appropriate "in-house" officers such as in Planning and Economic Development or Legal, Procurement and Regulatory Divisions or if necessary through the procurement of outside specialist advice.

The views of the nominated Community representatives within the eligible area for the particular REF to which the application relates will be sought. These views will be established by the officers in Department of Corporate Support who will administer the Fund.

These various assessments and comments will form the basis of reports to Cabinet.

(j) *Determination of Applications* As previously agreed all applications will be subject to a report to Cabinet for determination.

(k) *Monitoring and Evaluation* Appropriate schemes for the monitoring and evaluation of the operation of the REF will require to be prepared and agreed in due course.

## **5 WHITELEE WINDFARM**

**5.1** As part of the process of determining the original Planning Application for the Whitelee Windfarm a S75 Agreement was drawn up by the three Councils, Scottish Power/CRE and the landowners. This S75 Agreement, amongst other matters:-

- Requires that a Whitelee Access Action Plan be prepared and approved by the three Councils for implementation during the operation of the wind farm;
- Agrees the joint funding, by the three Councils, of a Project Development Officer for a fixed term appointment of three years to assist with the implementation of the Access Plan. This appointment was made early in 2008, and;

- Obliges East Ayrshire Council to maintain the facilities within the East Ayrshire boundary.

**5.2** Cabinet on 22nd August, 2007, amongst other matters, agreed 100% allocation of the community benefit contributions from the Whitelee Windfarm for the first 31 months to the Access Action Plan and remitted to the Depute Chief Executive/Executive Director of Corporate Support and Executive Director of Neighbourhood Services to review the proportion of contributions between the Access Action Plan and wider community projects; based on agreed Local Plan policy and to report to Cabinet with recommendations.

**5.3** Cabinet on 5<sup>th</sup> December 2007 considered the circumstances of the Whitelee Windfarm. Within that report it was highlighted that it had been agreed that for the first 31 months the contributions from the windfarm would be used to help realise the Whitelee Forest Action Plan.

Cabinet agreed that in relation to Whitelee, for the remainder of the first 10 year period (89 months), contributions were to be dispersed in the local area (within 10 km of the boundary of the windfarm) and thereafter dispersed 50/50 within the local/wider area.

Cabinet also agreed that dispersal would not preclude future funding being directed towards access works but that such proposals would require to compete in the bidding process with funding requests for all other eligible projects. It was agreed that all Whitelee contributions would be administered by the Renewable Energy Fund.

**5.4** A detailed report on the Whitelee Access Action Plan including the options to honour the S75 Agreement and their associated costs was the subject of a separate report to Cabinet on 1<sup>st</sup> April, 2009 and the following was agreed:-

(i) to note the progress made in respect of Whitelee Windfarm and Whitelee Access Action Plan;

(ii) to approve the additional allocation (over and above the contribution received in the first 31 months) of the community benefit contributions of £52,471 for the implementation of the Access Action Plan;

(iii) to approve the recommendation for future management and maintenance of the network within East Ayrshire to be funded from community benefit contributions of £118,267;

(iv) to the continued involvement of the Outdoor Access Officer with support from the Countryside Development Manager on the Whitelee Access Planning Group; and

(v) to approve the Finalised Access Action Plan.

5.5 In the light of these various decisions it will therefore be appropriate for any future funding requirements for the Whitelee Access Action Plan to be considered through the Renewable Energy Fund.

## 6 LEGAL IMPLICATIONS

6.1 The proposals and procedures outlined within this report accord with existing planning agreements regarding windfarms. Future agreements will require to reflect the procedures once agreed.

## 7 COMMUNITY PLANNING ISSUES

7.1 The establishment of a Renewable Energy Fund will assist in delivering a range of projects identified within the Delivering Community Regeneration 2009-2011 Action Plan.

## 8 POLICY IMPLICATIONS

8.1 There are no Policy implications at this stage.

## 9 FINANCIAL AND PERSONNEL IMPLICATIONS

9.1 The administration of the Renewable Energy Fund will have financial and personnel implications for East Ayrshire Council.

9.2 **Personnel Implications** As the REF is a new and additional fund and as many of the applications may relate to projects that are out with officers' current experience the operation of and implementation of the REF is likely to result in an increase in the workloads of those who assist and advise groups in the development of projects. There will be a requirement for advisers to receive appropriate training in the implementation procedures of the REF.

Depending on the scale and nature of the proposed projects there may also be a need to identify additional persons to give advice to applicants. This may require identifying additional officers within the Council to assist if they have the necessary skills or perhaps procuring the assistance of experts from out with the Council.

Due consideration will require to be given as to who will undertake the various assessments and to their training. The establishment and implementation of the REF will require that current assessors receive additional training. It may result, over time, in significant increases in the workloads of those who already assess applications for the Developers Contributions Fund and Match Fund schemes.

It is proposed that the position is monitored and if the assessment of applications and operation of the REF proves onerous then options to address any issues will be subject to a separate report to Cabinet. In the interim it is anticipated that specialist expertise may have to be procured to assist in the assessment of some projects.

**9.3 Financial Implications** Following from the above personnel implications there are financial implications associated with the implementation and administration of the REF.

Policy CS15 of the Alteration to the East Ayrshire Local Plan Finalised Draft with Modifications approved in February 2009 makes no provision for the top slicing of funds ingathered from windfarm developments to pay for the administration costs of implementing the REF. Nevertheless this an issue that should be discussed with developers during the preparation of Section 75 agreements and should be incorporated into any future legal agreements where possible.

However it should be noted that the S75 for Whitelee does not include provision for the costs of the administration of the REF to be drawn from the contribution. In the circumstances the administration costs of the REF for Whitelee windfarm will require to be borne by East Ayrshire Council.

## **11. CONSIDERATION BY CMT**

11.1 The Council Management Team have agreed to this report.

## **12 RECOMMENDATIONS**

12.1 It is recommended that Cabinet: -

- (1) Approves the proposals for the ingathering of contributions to the Renewable Energy Fund as described in Section 3 of this report;
- (2) Agrees that the proposed principles for the disbursement of the Renewable Energy Fund as described in Section 4 of this report be used as a basis for discussion/consultation with community representatives;
- (3) Agrees that the proposals for the operation of the Renewable Energy Fund as described in Section 5 of this report be used as a basis for discussion/consultation with community representatives;
- (4) In relation to items 2 and 3 above that the outcome of the consultation be reported to CMT and thereafter to Cabinet if required;
- (5) Notes the various manpower, work load and financial implications that are likely to arise from the implementation of the Renewable Energy Fund and that as part of any Section 75 agreement discussions Council officers should include a clause to the effect that a proportion of any contributions received should be used to pay for legitimate administrative costs of the REF;

- (6) Notes the obligations provided by the existing S75 Agreement regarding the Whitelee Windfarm as they relate to the dispersal of the Renewable Energy Fund as described in Section 5 of this report; and
- (7) Remits to the Depute Chief Executive/Executive Director of Corporate Support to submit a further report within one calendar year to update Cabinet on the state of the fund, provide a summary of the community projects supported, and any manpower and personnel issues that may have arisen.

**Elizabeth Morton**

**Depute Chief Executive / Executive Director of Corporate Support**

22<sup>nd</sup> July 2009

DAH/MLS

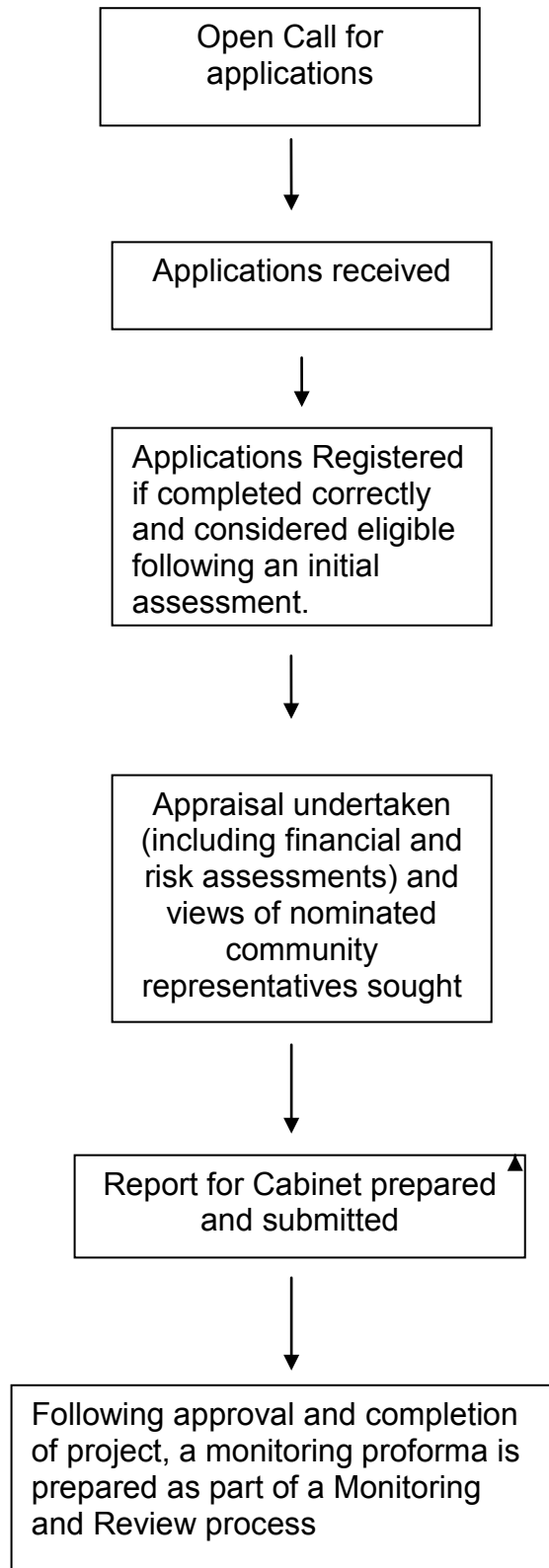
#### **BACKGROUND PAPERS**

1. **Whitelee Windfarm - Cabinet Report - 22 August 2007**
2. **Windfarm Policy - Cabinet Report - 24 October 2007**
3. **Windfarm Policy - Governance and Scrutiny Committee - 23 November 2007**
4. **Windfarm Policy - Cabinet Report - 5 December 2007**
5. **Whitelee Access Action Plan – Cabinet Report – 1<sup>st</sup> April, 2009**

**For further information please contact David Hewet, Senior Policy Adviser at Council Headquarters on (55) 4608.**

***Implementation Officer : Alan Neish, Head of Planning and Economic Development***

RENEWABLE ENERGY FUND



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**EAST AYRSHIRE COUNCIL**  
**RENEWABLE ENERGY FUND**  
**GUIDANCE ON ELIGIBLE PROJECTS**

Eligible projects for funding through the Renewable Energy Fund include those listed below. This is a preliminary and indicative list only and it is proposed that it will be adjusted in the light of operational experience of the Fund over time. It is also expected that a degree of discretion will be used in identifying eligible projects:-

**Studies** :- Feasibility Studies to identify renewable energy options or to undertake detailed planning for eligible environmental projects.

**Community Renewable Energy Projects** :- Priority will be given to these projects including community recycling centres, installation of wind turbines/solar panels/bio flues, etc, for local schools, community centres, etc

**Environmental Projects** :- Including woodland planting and maintenance, town/village streetscape projects, environmental art projects (including floodlighting), landscape schemes, etc

**Environmental Education Projects for Schools** :- Including school sensory gardens, weather stations, woodland planting, environmental education packs for local nature reserves (e.g. River Ayr Way and Weavers Tales and Trails) etc

**Improvements to Local Service Provision:-** Such as rural community transport initiatives where there is demonstrable case that the project will reduce the carbon footprint and/or improve the environment. Any applications from the Local Authority and Agencies will require to demonstrate in addition that the project is not a statutory requirement.

**Match Funding:-** Appropriate applications seeking match funding such as to create "Umbrella" funds through the LEADER Programme, to match fund other European or other appropriate funding opportunities or to match fund relevant projects promoted by other partners or agencies will be eligible for consideration.

**Note:-** The Renewable Energy Fund can provide both Capital and Revenue support if considered appropriate. Revenue funding will be for a maximum period of three years and will only be awarded where the need is clearly demonstrated in a Business Plan, or other appropriate justifications, accompanying the application.



## 7. Project Description

Describe fully the project for which grant is being sought (background and context of the project, description of works, partner involvements and links with local strategies)

**(a) Background and Context**

**(b) Description of Works**

**(c) Partnership Involvement**

**(d) Links with local strategies ( eg East Ayrshire Community Plan,  
East Ayrshire Local Plan etc)**

*(continue on separate sheet(s) if required)*

**8. Priorities and Measures**

Under which priority does your project fit?

- Preserve, protect or enhance the environment or heritage
- Promote and encourage environmental improvement or enhancement.
- Promote environmental education
- Provide or assist in the provision of local service provision
- Promote or assist in Community Renewable Energy Projects

**9. Sustainable Development**

Describe how your project contributes towards the understanding and protection of the environment, to improvements in local service provision and to the establishment of community renewable energy projects.

**10. The Environment**

(a) Describe the project's positive and negative impacts on the environment (refer to sustainable development checklist Annex A).

Positive	Negative

(b) Detail below the steps to be taken to manage, minimise and monitor the **negative** impacts (refer to sustainable development checklist Annex A).

**11. Evidence of Demand**

What evidence is there that your project is needed?

## 12. Need for Grant

(a) Is this grant essential for your project to go ahead? Yes  No

(b) Which of the following forms of '**additionality**' will be produced by the award of grant?

- i. allow the project to proceed
- ii. accelerate the implementation of the project
- iii. increase the scale of the project
- iv. improve the quality of the project
- v. secure other financial contributions to the project
- vi. other (please detail)

## 13. Project Management

Describe how your project will be managed and administered (include details of number of staff involved, previous experience of managing similar projects)

**14. Project Risk Assessment**

Have you identified any risks that might affect the successful completion of your project? If so, please give details of how these will be addressed.

**15. Sustainability and Continuity**

Provide details of how the project will continue after Renewable Energy Local Grant funding has ceased (e.g. exit strategy, business plan, ongoing management/funding arrangements)

**16. Project Outputs/Impacts**

**(a) List below the 'measurable' outputs/impacts the project expects to deliver (please select from Annex B of Guidance Notes - other measures will be accepted where appropriate).**

Details <input type="checkbox"/>	Number	Method of Measurement

**(b) Describe any results which cannot be readily quantified but which provide added value to your project.**

**17. Planning Permission or Other Regulatory Compliance/Consent**

Does the project require planning permission or any other form of regulatory compliance or consent?                      Yes                        No           

If **yes**, please give details

**18. Tendering arrangements (Public Sector Organisations only)**



(b) Provide a breakdown of the **'non eligible'** project costs for which grant is not requested. (refer to list of non-eligible project costs Annex C).

Items of Expenditure	£
<b>Total</b>	

## 20. Breakdown of Financial Contributions

Source of Finance	Contribution (£)		Finance Confirmed	
	Total	Eligible	Yes	No
	Costs	Costs		
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
			<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Contributions</b>				

## 21. Funding Package Summary

REF Local Grant	Public Match Funding	Private Match Funding (cash)	Private Match Funding (in-kind)	Total
£	£	£	£	£

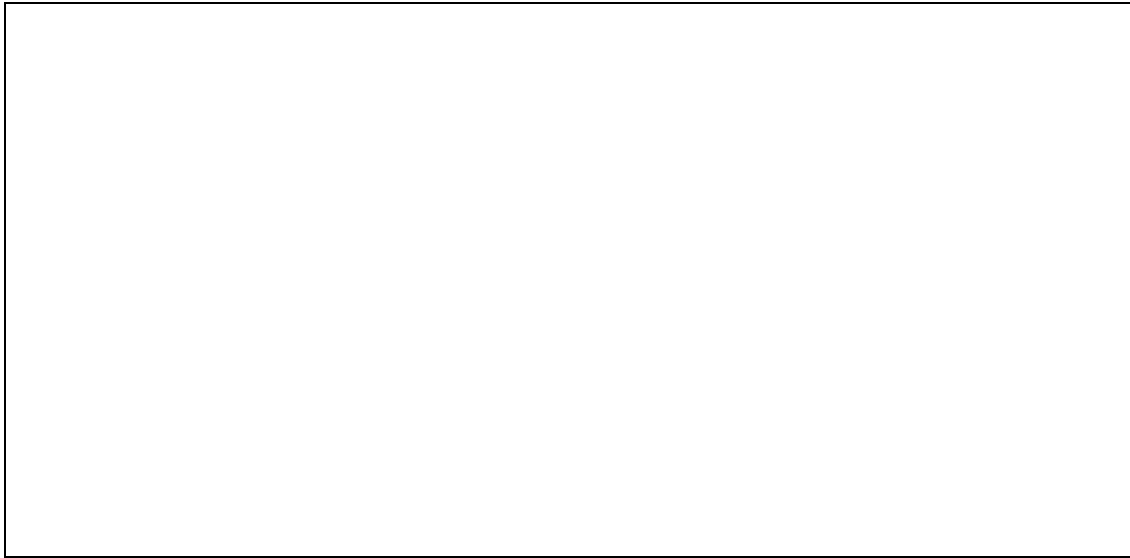
## 22. Equal Opportunities

(a) Does your group/organistaion have an equal opportunities policy?

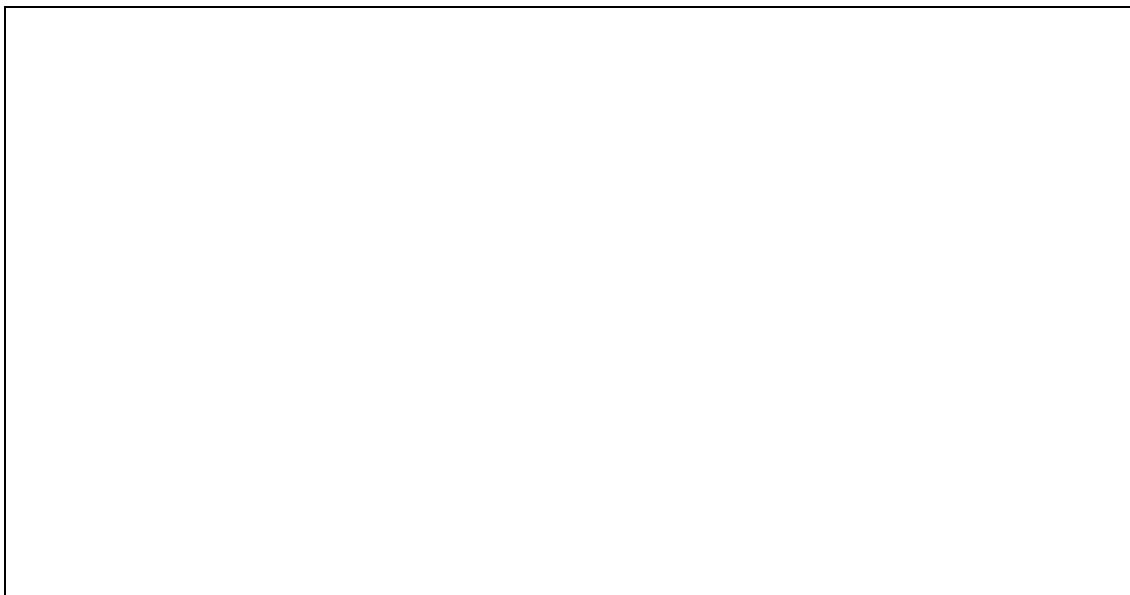
Yes  No

If **yes**, please enclose a copy with your completed application.

(b) List any potential barriers to community access and participation to this project (*refer to sustainability checklist Annex A*).



(c) Describe how the project proposes to address these barriers/issues (*refer to sustainability checklist Annex A*).



**Declaration**

We wish to apply for a Renewable Energy Fund grant. The above is an accurate outline of the proposed project. We have read and understood the guidance notes for applicants and agree to the conditions therein. We understand that the grant may be modified or withdrawn, if all the conditions are not adhered to. We will submit to East Ayrshire Council quarterly grant claims together with receipted invoices. On completion of the work a final grant claim will be submitted. We are willing to co-operate in the monitoring of the grant scheme and to meet with their representatives if required to do so.

Signed: ..... *(blue ink)*

Name/Organisation .....

Date: .....



The information provided by you will be used in the provision of advice & financial support. This data is subject to the Data Protection Act 1998 and will be treated as per the principles defined in that act, this includes disposal after it is no longer relevant to this purpose.

**Please send your completed application form to:**



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**EAST AYRSHIRE COUNCIL**  
**RENEWABLE ENERGY FUND**  
**INITIAL ASSESSMENT OF ELIGIBILITY**

Project ref. no.	
Project Title	

**The Application**

	<i>Yes</i>	<i>No</i>
Is the applicant an eligible body?	<input type="checkbox"/>	<input type="checkbox"/>
Have all the relevant questions been completed?	<input type="checkbox"/>	<input type="checkbox"/>
Has the form been signed and dated?	<input type="checkbox"/>	<input type="checkbox"/>
Has all relevant documentation been provided?	<input type="checkbox"/>	<input type="checkbox"/>

**The Project**

Is the project eligible?	<input type="checkbox"/>	<input type="checkbox"/>
Is the project innovative?	<input type="checkbox"/>	<input type="checkbox"/>
Is the project sustainable?	<input type="checkbox"/>	<input type="checkbox"/>
Is the project within the eligible area?	<input type="checkbox"/>	<input type="checkbox"/>
Does the project impact on the eligible area?	<input type="checkbox"/>	<input type="checkbox"/>
Has a description of benefits been provided?	<input type="checkbox"/>	<input type="checkbox"/>
Has a project description been provided?	<input type="checkbox"/>	<input type="checkbox"/>
Have planning/listed building/building warrant procedures been complied with?	<input type="checkbox"/>	<input type="checkbox"/>
Has the applicant described how the project will be planned and managed with regard to the environment?	<input type="checkbox"/>	<input type="checkbox"/>
Where appropriate, has State Aid been approved?	<input type="checkbox"/>	<input type="checkbox"/>

**Finance**

Has a realistic expenditure profile been determined?	<input type="checkbox"/>	<input type="checkbox"/>
Is a total project cost stated?	<input type="checkbox"/>	<input type="checkbox"/>
Is eligible expenditure stated?	<input type="checkbox"/>	<input type="checkbox"/>
Do the figures add up?	<input type="checkbox"/>	<input type="checkbox"/>
Has the applicant the capacity to undertake the project?	<input type="checkbox"/>	<input type="checkbox"/>
Are matching funding commitments in place?	<input type="checkbox"/>	<input type="checkbox"/>

**Suitability**

	<i>Yes</i>	<i>No</i>
Does the project meet the objectives of the Programme?	<input type="checkbox"/>	<input type="checkbox"/>
Does the project fit with local strategies?	<input type="checkbox"/>	<input type="checkbox"/>
Has proper justification been demonstrated?	<input type="checkbox"/>	<input type="checkbox"/>
Is there evidence of additionality?	<input type="checkbox"/>	<input type="checkbox"/>
Will there be measurable outcomes?	<input type="checkbox"/>	<input type="checkbox"/>
Are outcomes achievable?	<input type="checkbox"/>	<input type="checkbox"/>
Can objectives/ targets form a basis for future monitoring and evaluation?	<input type="checkbox"/>	<input type="checkbox"/>
Has environmental impact been recognised?	<input type="checkbox"/>	<input type="checkbox"/>
Have all negative impacts been addressed?	<input type="checkbox"/>	<input type="checkbox"/>

Signature: .....

Date: .....

Signature: .....

Date: .....

# EAST AYRSHIRE COUNCIL

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APPENDIX 5

## RENEWABLE ENERGY FUND

The following criteria will be used to help appraise all grant applications submitted to the Renewable Energy Fund. They have been drawn up to assess common aspects of projects.

**Project Title:**

**Project Reference:**

	Criteria	Score Range
1.	<p><b><i>Compliance with Funding Criteria</i></b></p> <p>To what extent does the project comply with the funding criteria approved by Cabinet?</p> <p>0 Does not comply</p> <p>1 Fits with one of the priorities / measures</p> <p>2 - 5 Fits with more than one of the priorities / measures</p>	0 - 5
2.	<p><b><i>Linkages with other relevant local strategies</i></b></p> <p>To what extent does the project demonstrate clear linkages and coherence with other related local activities/strategies – community plans, development plans, area regeneration?</p> <p>0 No linkages demonstrated</p> <p>1 Can show demonstrable links</p> <p>2 Can show formal links</p> <p>3 Project forms part of a Council approved strategy.</p>	0 - 3

<p><b>3.</b></p>	<p><b><i>Evidence of Demand</i></b></p> <p>To what extent does the project demonstrate evidence of community, market or business demand, now and in the future? An assessment of the quality, validity and robustness of market research and/or evidence of market failure provided as justification for intervention.</p> <p>0        <i>No evidence of demand or need</i></p> <p>1 - 2    <i>Limited evidence of demand or need</i></p> <p>3 - 4    <i>Significant levels of demand or need, supported by adequate evidence</i></p> <p>5        Evidence from more than one source showing high levels of need or unmet demand</p>	<p><b>0 - 5</b></p>
<p><b>4.</b></p>	<p><b><i>Additionality and Leverage</i></b></p> <p>To what extent is grant aid essential for the implementation of the project? Does the project financing involve funds levered from other sources?</p> <p>0        no justification for grant</p> <p>1        evidence of need for grant and limited leverage of funds from other sources</p> <p>2        clear evidence of need for grant as part of a funding package involving several funding partners</p> <p>3        significant leverage effects from grant intervention</p>	<p><b>0 - 3</b></p>
<p><b>5.</b></p>	<p><b><i>Value for Money</i></b></p> <p>To what extent does the project represent value for money when compared with the anticipated quantified outputs / impacts?</p> <p>0        project represents extremely poor value for money</p> <p>1        project represents poor value for money</p> <p>2        project represents good value for money</p> <p>3        project represents extremely good value for money in relation to outputs and impacts anticipated</p>	<p><b>0 - 3</b></p>

<p><b>6.</b></p>	<p><b>Project Management</b></p> <p>To what extent does the project demonstrate its feasibility and the ability to become self-sustaining over time? Particular consideration should be given to assessment of the feasibility and risks of the project, its design and forecast targets and the capacity and track record of the delivery agent(s) to implement and sustain the project.</p> <p>0 project fails to demonstrate feasibility and durability</p> <p>1 project demonstrates feasibility but provides only limited information on potential to become self-sustaining over time</p> <p>2 project demonstrates feasibility and clear potential to become self-sustaining</p> <p>3 project clearly demonstrates feasibility and has detailed exit strategy</p>	<p><b>0 - 3</b></p>
<p><b>7.</b></p>	<p><b>Equal Opportunities</b></p> <p>To what extent does the project actively promote the full and equal participation of individuals and social groups in the local economy (all members of the community and visitors). This may be achieved by:</p> <ul style="list-style-type: none"> <li>• Ensuring that there are no in-built constraints preventing individuals accessing employment and personal development opportunities</li> <li>• Creating the right conditions in the labour market through active labour market policies</li> <li>• Positively tackling the more subtle forms of discrimination and exclusion</li> </ul> <p>0 project meets minimum legal requirements only</p> <p>1 limited evidence of equal opportunities consideration built into project design</p> <p>2 evidence of equal opportunities considerations built into project design and clear monitoring mechanisms</p> <p>3 significant evidence of positive action to combat discrimination and promote inclusion of disadvantaged individuals and/or groups with quantified targets</p>	<p><b>0 - 3</b></p>

<p><b>8.</b></p>	<p><b><i>Community Involvement</i></b></p> <p>To what extent has the community been involved in developing the project and what degree of involvement will they have in implementing the project?</p> <p>0            No community involvement in either the development or implementation of the project</p> <p>1            Evidence of community involvement in the development of the project</p> <p>2            Evidence of community involvement in the development and implementation of the project</p> <p>3            Significant community involvement in the development and implementation of the project</p>	<p><b>0 - 3</b></p>
<p><b>9.</b></p>	<p><b><i>Sustainable Development – economic, social and environmental</i></b></p> <p>To what extent does the project contribute towards sustaining the economy, environment and social well-being?</p> <p>0            Does not contribute towards sustainability</p> <p>1            Limited evidence of sustainability</p> <p>2            Significant evidence of sustainability</p>	<p><b>0 - 2</b></p>
<p><b>10.</b></p>	<p><b><i>Exit Strategy</i></b></p> <p>To what extent does the project demonstrate its exit strategy.</p> <p>0            No evidence of an exit strategy</p> <p>1            Some evidence of potential exit strategy</p> <p>2            Detailed exit strategy in place</p>	<p><b>0 - 2</b></p>
<p><b>Score (max 32)</b></p> <p>Applications located within 5km of the Windfarm boundary credited with additional 3 points</p> <p><b>Total Quantitative Score (max 35)</b></p>		

**Signed:**

**Date**

**Signed:**

**Date**

# EAST AYRSHIRE COUNCIL

**Annex A**

## Renewable Energy Fund

**Draft**

### Sustainable Development Checklist

Please refer to this Sustainability Checklist before starting to answer Questions 10 (The Environment) and 22 (Equal Opportunities) on the application form. This will help you identify the issues you may need to consider when answering these questions.

Project ref. No.	
Project Title	

Does the project:

	Yes	No	No effect
<b>1 Community and Participation</b>			
Help heighten sustainable development awareness			
Involve the community in developing the process			
Take into account under-represented groups			
Take into account equal opportunities			
<b>2 Economy and Work</b>			
Link local production with local consumption			
Improve environmental awareness of local business			
<b>3 Transport</b>			
Encourage walking or cycling			
Encourage use of public/community transport			
Discourage use of cars and lorries			
Improve access to facilities for those without a car			

Does the project:

	Yes	No	No effect
<b>4 Pollution</b>			
Reduce/prevent pollution, e.g. noise, air, water, land			
Improve conditions in the most polluted local environments			
<b>5 Energy</b>			
Maximise energy efficiency			
Generate energy from waste or renewable resources			
Target energy improvements to where fuel poverty is greatest			
<b>6 Waste and Resources</b>			
Reduce waste and/or maximise resource use			
Encourage re-use and/or repair			
Encourage recycling and/or use of recycled materials			

<b>7</b>	<b>Buildings and Land Use</b>			
	Provide or improve local amenities			
	Re-use/conserve buildings			
<b>8</b>	<b>Wildlife and Open Spaces</b>			
	Encourage use of open spaces for community benefit			
	Increase public access to open space			
	Encourage environmentally sound gardening/grounds maintenance			
	Improve access to green space			
	Help improve local habitats or species			

# **EAST AYRSHIRE COUNCIL**

**DRAFT**

## **Annex B**

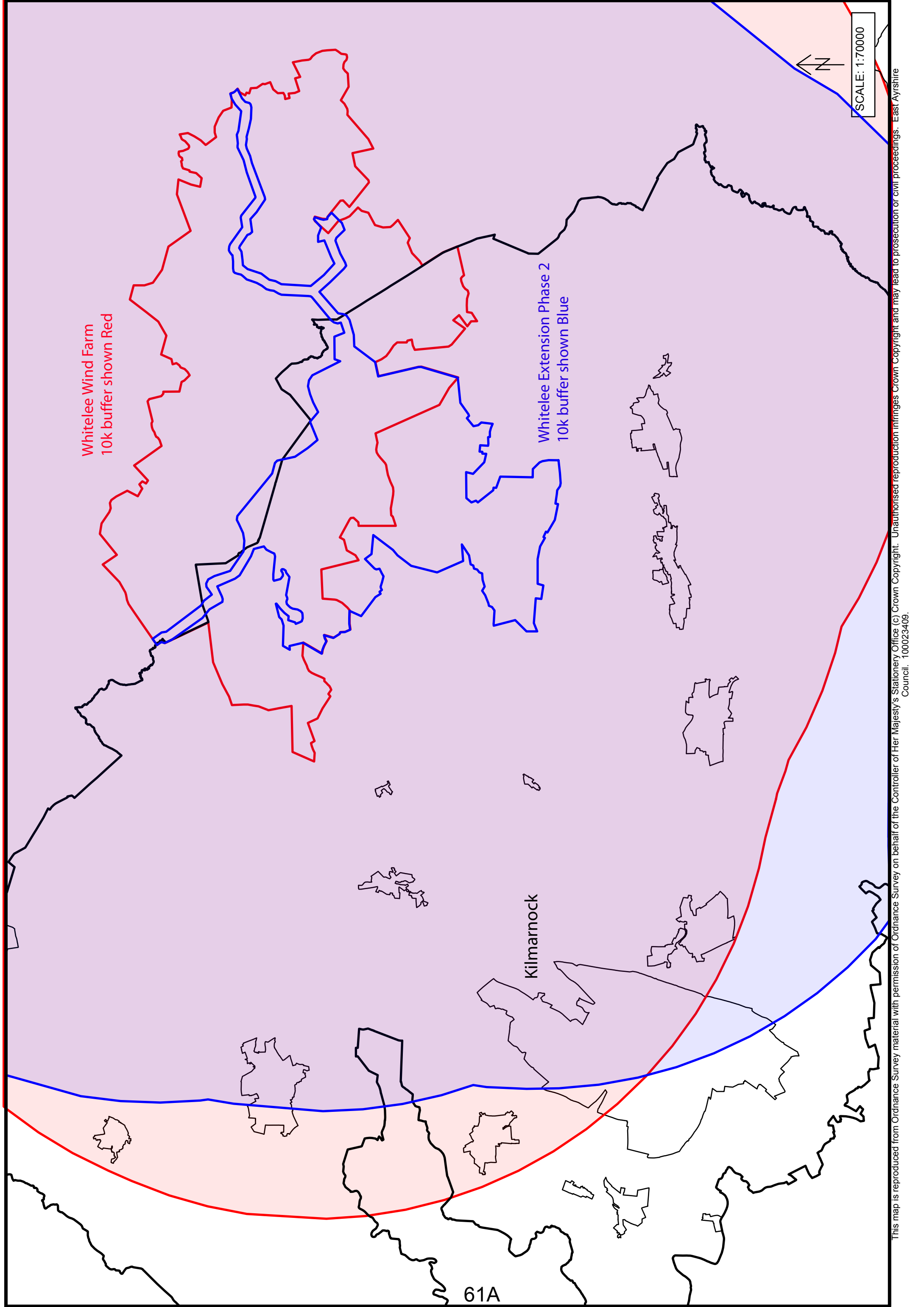
### **Measurable Outputs/Impacts**

- No. of groups advised/assisted
- No. of pilot projects assisted
- No. of groups formed
- No. of community groups advised and assisted
- No. of new services and facilities established, and key existing services maintained
- No. of individuals accessing services and facilities
- No. of community woodland projects implemented
- No. of sites of natural heritage interest with interpretation introduced, access improved, etc
- Number of areas created to encourage wildlife
- No. of community and recreational facilities supported
- No. of awareness raising events held

**Annex C**

**Non-Eligible Project Costs**

- Loan charges – the nature and amounts of any loan charges included in the overall project costs should be brought to the Secretariat's attention
- Apportionment of general organisational overheads, or any internal organisational service or management charges
- Recoverable VAT
- Costs in respect of the provision of accountancy services relating to the carrying out of audit work
- Legal costs in respect of litigation
- Repair costs
- Any costs defrayed outwith the eligible funding period
- Costs relating to research or studies carried out in respect of the project prior to the official project start date
- Charges included for the use of applicant and/or other publicly owned offices or other property
- Service charges arising on finance leases and hire purchase arrangements
- Costs resulting from the deferral of payments to creditors
- Costs involved in winding up a company
- Redundancy payments
- Payments into private pension schemes
- Bad debts
- Gifts
- Payments for unfunded pensions
- Compensation for loss of office
- Costs of works being carried out as a statutory requirement



Whitelee Wind Farm  
10k buffer shown Red

Whitelee Extension Phase 2  
10k buffer shown Blue

Kilmarnock

61A

SCALE: 1:70000

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