

Isle of Anglesey County Council	
Report to:	Executive Committee
Date:	29 November 2021
Subject:	Community Benefit Contributions Strategy
Portfolio Holder(s):	Councillor Carwyn Elias Jones Councillor Richard Dew
Head of Service / Director:	Dylan J. Williams Deputy Chief Executive
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Local Members:	Relevant to All Elected Members

A –Recommendation/s and reason/s

To support and formally adopt the revised Community Benefit Contributions Strategy.

This will enable the County Council to:

- Continue to negotiate and secure voluntary community benefits for Anglesey as a host authority based on latest policy, guidance and best practice;
- Communicate to developers / project promoters the County Council's expectations for voluntary community benefits from hosting major developments;
- Provide a consistent, equitable and transparent approach to securing Community Benefits; and,
- Align the Community Benefits Contributions Strategy with latest policy, legislation and guidance (including Wellbeing of Future Generations Act, Future Wales and the drive towards net zero 2050).

B – What other options did you consider and why did you reject them and/or opt for this option?

Since the adoption of the County Council's original Community Benefits Contribution (CBC) Strategy in March 2014, there have been some significant project, policy and legislative changes concerning major projects, particularly with energy projects and the drive towards achieving net zero. As a result, the Isle of Anglesey County Council felt it was timely to update the CBCs Strategy to ensure that it remains fit for purpose and reflects the latest policy and legislative position on the need for major developments to provide positive social, environmental, cultural and economic benefits to local communities.

B – What other options did you consider and why did you reject them and/or opt for this option?

With several major developments proposed on the Island over the next decade, there is an opportunity for the Island to continue to grow and prosper while contributing to national objectives including the progress to a low carbon economy and achieving net zero by 2050. Since the adoption of the original CBCs strategy in 2014, the nature and scale of major energy developments on the Island has changed considerably. With a number of solar farm developments, tidal proposals, onshore and offshore wind, hydrogen as well as renewed interest in Wylfa Newydd it is important to have a CBC Strategy which is relevant and applicable to all types of major developments.

Although the County Council is fully committed to playing its part in the pursuit of net zero 2050, this must not be at any cost. This strategy is intended to ensure that Anglesey and its residents are able to fully capitalise upon the anticipated positive opportunities arising from hosting major developments.

CBCs are “goodwill” contributions voluntarily donated by a developer for the benefit of communities hosting a development, which will have an impact on local resources and / or the local environment. They can be either monetary payments or activities to improve the economic, social or environmental wellbeing of the area. CBCs are discussed and agreed outside of any statutory planning process.

CBCs are not a mechanism to make a development acceptable in planning terms, and they are not taken into account when determining an application for planning consent. In accordance with the Scheme of Delegation approved by the County Council on the 7th September 2021, no Councillor or Officer involved in any discussions or negotiations in respect of a CBC will be permitted to participate in a land use planning (decision making) process that corresponds to that development.

Consideration was given to not updating the CBCs Strategy, however in light of:

- i. recent policy changes with the publication of ‘Future Wales: The National Plan’;
- ii. Legislative changes implemented by the Wellbeing of Future Generations Act in Wales and the National drive towards achieving net zero 2050; and
- iii. The surge in the number of low carbon and renewable projects proposed on the Island;

It was considered timely and appropriate to review and update the County Council’s CBCs Strategy.

C – Why is this a decision for the Executive?

Discussing and negotiating CBCs is an executive function, and therefore adopting the revised CBC Strategy is the responsibility of the Executive Committee. Responsibility for progressing and negotiating CBCs has been delegated to the Deputy Chief Executive in accordance with the resolution of the Full Council on the

C – Why is this a decision for the Executive?

7th September 2021. This ensures that CBCs are kept separate from statutory consenting processes.

Ch – Is this decision consistent with policy approved by the full Council?

The County Council's ability to consider and progress provision for CBCs derives from Section 2 of the Local Government Act 2000, which enables the County Council to undertake any activity to the promote or improve of the economic, social or environmental well-being of the Island.

D – Is this decision within the budget approved by the Council?

All CBC activities are being undertaken in line with the Energy Island Programme's budget.

Dd – Assessing the potential impact (if relevant):

1	How does this decision impact on our long term needs as an Island?	CBCs offer the opportunity to secure long-term benefits from proposed major developments for the Island communities. These benefits will be identified and secured on the needs of the host community.
2	Is this a decision which it is envisaged will prevent future costs / dependencies on the Authority? If so, how?	By securing community benefits from developers of major projects, this may prevent future costs which would otherwise be incurred by the Council.
3	Have we been working collaboratively with other organisations to come to this decision? If so, please advise whom.	Discussions are ongoing with Menter Mon regarding the delivery and management of community benefit contributions. Community Councils are already in direct dialogue with developers in their local area.
4	Have Anglesey citizens played a part in drafting this way forward, including those directly affected by the decision? Please explain how.	Not Applicable.
5	Note any potential impact that this decision would have on the groups protected under the Equality Act 2010.	Not applicable.

Dd – Assessing the potential impact (if relevant):		
6	If this is a strategic decision, note any potential impact that the decision would have on those experiencing socio-economic disadvantage.	Not applicable.
7	Note any potential impact that this decision would have on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.	Not applicable.

E – Who did you consult?		What did they say?
1	Chief Executive / Senior Leadership Team (SLT) (mandatory)	TBC
2	Finance / Section 151 (mandatory)	TBC
3	Legal / Monitoring Officer (mandatory)	TBC
4	Human Resources (HR)	TBC
5	Property	TBC
6	Information Communication Technology (ICT)	TBC
7	Procurement	TBC
8	Scrutiny	TBC
9	Local Members	TBC

F - Appendices:
Community Benefit Contributions Strategy (November 2021).

Ff - Background papers (please contact the author of the Report for any further information):
<p>Executive Committee Report (17th March 2014) – Community Benefit Contributions Strategy http://democracy.anglesey.gov.uk/documents/s500000684/Cyfraniadau%20Budd%20Cymunedol.pdf?LLL=0</p> <p>Executive Committee Report (12th July 2021) - Changes to the Constitution: Delegated Powers - Developments of National Significance and Non-statutory Community Benefits. http://democracy.anglesey.gov.uk/documents/s17458/Changes%20to%20the%20Constitution%20Delegated%20Powers.pdf?LLL=0</p>

Isle of Anglesey County Council (7th September 2021) - Changes to the Constitution: Delegated Powers - Developments of National Significance and Non-statutory Community Benefits.

<http://democracy.anglesey.gov.uk/documents/s17464/Changes%20to%20the%20Constitution%20Delegated%20Powers.pdf?LLL=0>



THE ISLE OF ANGLESEY COUNTY COUNCIL'S COMMUNITY BENEFIT CONTRIBUTIONS STRATEGY

NOVEMBER 2021



CYNGOR SIR
YNYS MÔN
ISLE OF ANGLESEY
COUNTY COUNCIL

www.anglesey.gov.uk

FOREWORD



**Councillor
Llinos Medi Huws,**
Leader of Isle of
Anglesey County
Council

Since the adoption of the County Council's original Community Benefits Contribution (CBC) Strategy in March 2014¹, there have been some significant project, policy and legislative changes and advancements concerning major projects, particularly energy projects with the drive towards achieving net zero. As a result, the Isle of Anglesey County Council felt it was timely to update the CBCs Strategy to ensure that it remains fit for purpose and reflects the latest policy and legislative position on the need for major developments to provide positive social, environmental, cultural and economic benefits to local communities.

With several major developments proposed on the Island over the next decade, there is an opportunity for the Island to continue to grow and prosper while contributing to national objectives including the progress to a low carbon economy and achieving net zero by 2050.

Although the County Council is fully committed to playing its part in the pursuit of net zero 2050, this must not be at any cost. This strategy is intended to ensure that Anglesey and its residents are able to fully capitalise upon the anticipated positive opportunities arising from hosting major developments.

The County Council is committed to securing voluntary Community Benefit Contributions (CBCs) for Anglesey from all major developments on the Island. The IACC will expect to maximise the benefits from hosting major development on the Island through voluntary community benefits. This Strategy aims to maximise local benefits to support the long-term sustainability, quality of life and wellbeing of the Island and its communities

Whilst the County Council has no powers to compel developers to provide voluntary community benefit contributions, we will be fair, proactive, consistent, and transparent in our approach to working with developers and the impacted communities, to secure meaningful benefits, which address the needs of those communities directly impacted from major developments.

This Strategy provides guidance for the Island's communities and developers about the IACC's expectations in relation to CBCs. This Strategy has been refreshed to bring it to contemporary standards, draw upon experiences across the UK of CBCs and to reflect a number of policy and legislative changes since 2017, particularly those driving towards net zero.

Councillor Llinos Medi Huws,
Leader of Isle of Anglesey County Council

¹<http://democracy.anglesey.gov.uk/documents/s500000684/Cyfrania-dau%20Budd%20Cy-munedol.pdf?LLL=0>

CONTENTS

I	INTRODUCTION	3
2	WHAT ARE COMMUNITY BENEFIT CONTRIBUTIONS?	5
2.1	Incorporation of social value into CBCs	5
2.2	Local ownership	6
2.3	Link to EIP	7
2.4	Role of IACC	8
3	ESTABLISHING THE CBC	10
3.1	Why are IACC seeking CBCs?	10
3.2	Need for assessment	11
3.3	Core principles	11
	The proximity principle	11
3.4	Quantum	13
4	DELIVERY MECHANISMS	15
4.1	Key principles	15
4.2	Examples of delivery mechanisms	16
	(a) Third Party CBC delivery vehicle	16
	(b) Grant funding approach	16
	(c) Pre-Existing Funds	16
	(d) Direct Investments and Project Funding	16
5	CONTACT	17



I INTRODUCTION

Anglesey presents numerous opportunities for major project development, including low carbon energy developments utilising wind, wave, tidal and solar generation, as well as the continuing allocation of the Wylfa site for new nuclear generation. The Isle of Anglesey County Council (“IACC”, “the Council”) has produced this strategy to set out how developments seeking to access Anglesey’s resources should ensure that the communities of the Island benefit from hosting these developments through the provision of direct voluntary community benefits.

Given the scale, significance and potential impacts of the proposed major projects on the Island, the IACC will seek to secure Community Benefit Contributions (“CBC”s) from all promoters or developers of major developments on the Island, including but not limited to energy developments. CBCs provide an opportunity to secure social value from developers. These local benefits will support the long-term sustainability, sense of place, quality of life and wellbeing of the Island and its communities. This Strategy has been aligned and informed by the objectives in the Wellbeing of Future Generations Act, Public Bodies’ Socio-economic Duty, and the Welsh Prosperity for All Action Plan.

The Anglesey Energy Island™ Programme, established by Isle of Anglesey County Council in 2011, aims to put Anglesey at the forefront of low carbon energy research and development, production and servicing. Many low carbon and renewable energy developments will have national benefits such as contributing to the decarbonisation of the UK’s energy system; however the role of the host community in accommodating these developments should also be recognised. The Council is keen to enable these developments where they are sustainable and appropriate, but recognises that in the absence of meaningful local social value and community benefit provision, support is unlikely.

Whereas statutory land use planning processes will seek to ensure adverse impacts on communities are avoided, minimised or mitigated, there is often no requirement in those regimes for active provision of a benefit directly to the local community. The Council consider that it is equitable and in line with the objectives of the Wellbeing of Future Generations Act to seek to ensure that the communities hosting developments receive benefit to balance the burdens. In some cases that benefit may be in the form of sustainable, long-term jobs, new public infrastructure, improvements to public open spaces, improvement of bio-diversity or access to cultural heritage assets. In other cases, monetary contributions to deliver alternative community benefits may be more practical or appropriate for a particular development.

Developers must recognise the burden and the contribution the community is making, which includes accommodating disruption from construction, changes in the landscape or seascape, changes away from traditional uses of land and intangible but important impacts such as changes in the sense of place and the qualities such as tranquillity and wild areas which make Anglesey special.

This Strategy provides guidance for the Island's communities and developers about the IACC's expectations in relation to CBCs. This Strategy has been refreshed to bring it to contemporary standards, draw upon experiences across the UK of CBCs and to reflect a number of policy and legislative changes since 2017, particularly those driving towards net zero.

The IACC also wishes for this Strategy to provide information which informs and guides communities on the Island in the context of 'local ownership', as supported by Future Wales: The National Plan 2040 and Planning Policy Wales (PPW) Edition 11.



2 WHAT ARE COMMUNITY BENEFIT CONTRIBUTIONS?

CBCs are “goodwill” contributions voluntarily donated by a developer for the benefit of communities hosting a development which will have an impact on local resources and / or the local environment. They can be either monetary payments or activities to improve the economic, social or environmental wellbeing of the area. Community benefits have contributed to a range of national and local outcomes relating to employability, skills and tackling inequalities by focusing on under-represented groups.

CBCs are often made by developers of projects where the adverse effects of the proposals are acknowledged and suitable mitigation measures may be problematic to invoke.

Community Benefit Contributions provide a legitimate opportunity to pursue social value (be it in the form of financial and / or in-kind contributions) from developers in recognition of the objectives in the Wellbeing of Future Generations Act, Public Bodies' Socio-economic Duty, and the Welsh Prosperity for All Action Plan.

CBCs are voluntary, however IACC encourage developers to commit to delivering CBCs that add positively to local communities and create long lasting impact. CBCs are not a mechanism to make a development acceptable in planning terms, and they are not taken into account when determining an application for planning consent. No Councillor or Officer involved in any discussions or negotiations in respect of a CBC will be permitted to participate in a land use planning (decision making) process that corresponds to that development.

2.1 Incorporation of social value into CBCs

Social value is defined as ‘economic, social and environmental wellbeing’ in the UK Social Value Act. Social value outcomes can be delivered through a range of interventions across the project lifecycle, CBCs being one such mechanism. In procurement terms, Welsh Government treats community benefits as interchangeable with social value clauses, which refer to conditions of contract, grants or match funding that seek to deliver on social value outcomes. However, CBCs should not be considered the only way to deliver social value and developers are encouraged to consider this in all elements of their project, including for example designing in environmental improvements such as habitat creation or landscaping provision beyond screening.

The IACC will seek to ensure that all CBC's reflect social value objectives by:

- Ensuring CBCs align either with defined Welsh Government social value or community benefits policy objectives, or IACC's social value priorities;
- Engaging with community groups and other stakeholders in identifying local needs and opportunities;
- Ensuring CBCs actively respond to the local socio economic context and evidenced community needs and opportunities;
- Measuring and reporting of project level social value outcomes against WBFG Goals, responding to a defined and recognised local need.

2.2 Local ownership

Local Ownership offers local people opportunities to buy shares or make an investment in a development. This can be achieved through either allowing local residents to purchase shares in a proposed energy development as individuals, or as a community (as represented through a body). By taking a share in a project the local community benefits from the profits of the project, which in the case of local body ownership can be reinvested back into the community.

It is expected that new renewable energy developments in Wales need to have at least an element of Local Ownership from 2020, as set by Welsh Government in Future Wales, the National Plan 2040 and Planning Policy Wales.

IACC considers that Local Ownership offers **forming part of community benefit proposals** should be focussed on the community, not individual residents, in order to achieve the greatest community benefit. While offering shares to local residents has some potential benefits, IACC considers that take up is less likely than other mechanisms to benefit the wider community as such offers are less likely to be able to be taken up by the most [socio-economically disadvantaged] and risk concentrating the benefit in a small number of residents.

The Council considers that a greater benefit for communities as a whole can be achieved through community ownership involving community groups. This could include established community groups, charitable trusts and social enterprises. This form of community benefit can be provided in addition to local ownership by individual investment through share purchase.

The Council is also currently exploring options to establish a legal basis for the holding and distributing of community benefit funding through a not-for profit company in order to provide an 'off-the shelf' option for developers to use. The Council would be keen to consider with developers if this arrangement could also hold shares on behalf of the community and distribute any returns in line with the wider community benefit criteria.

2.3 Link to EIP

The Strategy has been prepared to outline the IACC's approach to maximise the impact of CBCs to help achieve the realisation of the County Council's vision and aspirations, as well as the vision outlined in the Council's refreshed Energy Island Programme (EIP). The Strategy will also provide guidance for the Island's communities and developers about the IACC's expectations in relation to CBCs.

The vision for the Island is:

For Anglesey to be an exemplar in the transition to a prosperous and resilient low carbon economy, providing high quality jobs, education and supply chain opportunities, whilst protecting and enhancing the natural environment and enabling the Welsh Language and culture to thrive in vibrant communities..

To achieve the vision, five themes have been identified as priority areas for the Island:

	Theme 1: 'Growth in new technology, research and development, and innovation' <i>A place that supports growth in new low carbon technology, research and development, and innovation, while safeguarding and building on existing sectoral strengths such as the visitor economy.</i>
	Theme 2: 'Creating local jobs, building skills, thriving businesses' <i>An inclusive place providing access to employment, education and high quality local jobs supporting the economic recovery of the island post pandemic.</i>
	Theme 3: 'Resilient and cohesive communities' <i>A place to be proud of, where the Welsh language and culture are thriving and vibrant, fostering community pride and the spirit of entrepreneurship, enabling a better quality of life for our people.</i>
	Theme 4: 'Responsible and pioneering climate action' <i>At the forefront of the low carbon energy transition, maximising local jobs and supply chain opportunities.</i>
	Theme 5: 'A balanced environment' <i>Support the wellbeing of current and future generations through building long term working partnerships and community collaboration, with a need to preserve and enhance the natural environment and unique island heritage</i>

All CBCs should be informed by and contribute to the delivery of the vision set out in the EIP.

2.4 Role of IACC

The IACC endeavours to maintain a positive and long-term relationship with all promoters of developments on Anglesey - during the development, construction and operation of their projects. To meet its strategic priority within the Council Plan, 'to create the conditions for everyone to achieve their long-term potential and develop an enhanced and resilient economy whilst protecting the natural environment', the IACC will lead upon the negotiation of CBCs with developers on behalf of the Island's communities and residents, to meet the particular and unique needs and sensitivities of Anglesey.

The IACC's ability to consider, negotiate and enter into arrangements making provision for CBCs derives from Section 2 of the Local Government Act 2000, which enables the Council to undertake any activity it considers achieves the promotion or improvement of the economic, social or environmental well-being of the Island.

In applying this strategy, the IACC will:

- Demonstrate a commitment to securing significant benefits for Anglesey as a host for a number of major developments;
- Improve and maintain positive and long-term relationships with each project developer to maximise positive social, economic and environmental benefits;
- Encourage and sustain a positive and long-term relationship with all promoters of developments on Anglesey (particularly those who have portfolio development interests for the Island);
- Observe a consistent, equitable and transparent approach to securing CBCs from all project developers and ensure all CBC negotiations and decisions are robust and in line with this Strategy;
- Encourage developers to recognise our Strategy regarding CBCs and encourage them to negotiate directly with us to secure the greatest level of benefits possible for the improvement of the Island;
- Ensure that the Island's community interests and needs are adequately represented;
- Highlight the links between CBCs and each developer's corporate social responsibilities as well as wider commitments they may have made including Environment, Social and Governance metrics;
- Capitalise upon all opportunities for CBCs to contribute towards a long lasting, positive legacy from all developments.

CBCs are distinct from and will be kept separate from payments or other mitigation secured through the statutory planning process. The statutory planning process effectively covers the legal framework through which projects are given planning consent. Within that process, mitigation related to the environmental, community and economic impacts of a proposed development (which may include monetary contributions) may be given. These will either be to address the direct mitigation of impacts of the development or they will comprise other benefits where there is an identifiable link with the development. These benefits would be secured through the use of planning conditions and planning obligations under the Town and Country Planning Act 1990 and related legislation.

They are not a material consideration which can be taken into account in determining whether to grant consent or to respond positively or otherwise to a consultation request. Any payment made is not designed to cover the direct effects of the development and they cannot properly be judged to be necessary to make a development acceptable in planning terms.



3 ESTABLISHING THE CBC

3.1 Why are IACC seeking CBCs?

The Council is committed to enable and assist the Island's communities to fully capitalise upon all benefits associated with the proposed projects on Anglesey; as well as counter negative socio-economic effects wherever possible arising from sustained demands on the Island's resources. Council considers that this is important to further the aim of the Well-being of Future Generations Act (2015) to improve the economic, social, environmental and cultural well-being of Wales.

The Council recognises that many developments would contribute towards both the UK and Welsh Governments' targets that have been set for the generation of renewable energy which is a key part of their commitment to decarbonisation and tackling the climate emergency. Such proposals benefit from considerable policy support for renewable energy development, including direct development plan policy support in Future Wales and the JLDP.

Future Wales recognises that delivery of renewable energy developments should "build a more resilient and equitable low-carbon economy" as well as meeting carbon reduction targets. The Council considers that just because a development would assist in meeting national targets does not mean it will have no adverse impact on the local community.

It is the Council's intention for all CBCs secured from developers of projects to be used to maximise long-term benefits for Anglesey's communities – through supporting the Island's sustainability, improving the quality of life and contributing towards socio-economic transformation.

²<https://www.llesiantgwyneddaron.org/en/>

The Gwynedd and Anglesey Well-being Plan² highlights some of the key issues of importance to local communities and which CBCs should be designed to address. These include the value placed on the community and local environment by the residents. The survey work undertaken of the plan also highlights the challenges, including the need for skilled jobs, and opportunities to improve the communities' public spaces. As part of the application of CBC's, the Council will seek to support place-making initiatives which improve and increase access to a local community's assets or quality public spaces that contribute to health and wellbeing.

3.2 Need for assessment

All major project developers are strongly encouraged to prepare and include in their public consultations processes a clear statement of how their development could help the island communities. Every development is expected to present a socio-economic analysis by reference to this strategy when they are bringing forward their development. This analysis may draw upon assessment work done for the planning application for the project, however developers are encouraged to present this separately to allow meaningful discussion of CBCs to take place in isolation from the planning process.

Discussion on CBCs is commonly undertaken at the stage where consultation on the planning application is carried out as it is often at this stage that the necessary project information is available. However, where developers wish to engage the Council in advance of that this is welcomed and they are encouraged to do so.

3.3 Core principles

The Proximity Principle

The Proximity Principle simply provides that benefits should be directed to geographic areas with regard to the level of impact they will experience; the level of any impact expected in a community should be reflected in the proportion of benefits provided to that community.

The IACC is committed to a transparent, flexible and equitable approach to CBCs, and recognises the need for CBCs to support activities that can deliver tangible and sustainable benefits. The IACC acknowledges that some developers will seek to ensure that the distribution of CBCs reflects potential localised impacts and ensure that any community funds are targeted at the area impacted.

The Council has developed the proximity principle to reflect that the majority of impacts of any major project will be largest, and therefore most acutely experienced, in the areas immediately adjacent to the development site. This is due to the concentration and cumulative effect of impacts. For most projects, as one moves further from the site, the impacts experienced will be less concentrated.

The Proximity Principle is, therefore, that those communities closest to the development should see the greatest concentration of benefits to reflect the level of impact experienced. As the impacts experienced reduce, so will the need for compensation or community benefits to be provided. Benefits should therefore not be inappropriately averaged over a wider area leading to the most affected communities not receiving a proportional benefit with regard to the higher burden imposed on them.

The Council will work with developers and local communities to apply the Council's local knowledge and access to evidence of needs of local communities in order to set out what it currently considers to be appropriate models for CBCs on Anglesey. There is however no prescriptive list of what can or should be funded or provided, and the Council will engage with and support reasonable proposals put forward by developers which will deliver the outcomes sought.

In order to meet local needs, the IACC anticipates that the funds or in kind contribution will be utilised for initiatives which improve the well-being of citizens and which support thriving and prosperous communities. Indicative actions include:

- Investing in young people by promoting skills development and apprenticeship opportunities;
- Supporting services which improve community cohesion and the quality of life for example, making contributions to electric vehicle charging infrastructure and the collective imperative of targeting net zero;
- Making investments which contribute to sustainable development;
- Promoting and enhancing local identity, distinctiveness and culture as well as interpretative facilities;
- Providing resources for citizens to pursue the low carbon agenda through community based energy efficiency measures, or community based energy clubs;
- Meeting present and future socio economic challenges by piloting innovative interventions, particularly recognising the fragility of the economy and the need to support recovery post Covid-19;
- Providing means of alleviating disadvantageous circumstances and raising aspirations amongst individuals and groups, for example, through scholarships to local universities and colleges, work placements and visits to operational facilities;
- Providing communities with the opportunities to invest in the proposed development and with the tools to enable them to make better use of their local energy assets;
- Providing open space improvements, bio-diversity net gain projects, providing or supporting landscape reinstatement or enhancement, schemes; and
- Supporting and improving public access, including improving and increasing active travel routes, access to beaches, and access to cultural heritage sites.

These priorities have been identified based upon an analysis of the Island's requirements and sensitivities, and the administration and focus of CBCs will be based upon a clear demonstration of need.

3.4 Quantum

The quantum of any CBC for a particular development will vary according to the specifics of the development, including for example the technology being used. The Council acknowledges the need to apply its Strategy in a manner that recognises that some projects may only be able to commit to CBC's once they become operational; whilst some projects may be of a research and experimental nature only and CBCs may only become applicable once the technology becomes commercially viable.

Benefits should be provided throughout the life of the development. The use of contributions with 'one-off' costs or payments at an early stage should be designed to provide a continuing benefit throughout the consented life of the development. The Council expects developers to seek to provide contributions as soon as the impacts on communities arise during construction. However, where this is not viable, benefits should be provided throughout operation and into any decommissioning phase when construction type impacts re-occur.

In order to provide guidance for communities and developers, the Council has undertaken some research into the quantum of existing committed CBC schemes. In both England and Scotland, government/ industry initiatives have established public registers of community benefits that can be viewed online. As of November 2020 the Scottish register found there to be an average community value from recent projects of £5,000 per MW per year; 316 projects are currently on the register; more than half of which are onshore wind farms.

There are examples in the nuclear sector (that have been treated as statutory community benefits) of between £20m and £50m arising from development proposals for e.g. preparatory works for new nuclear build, development of new nuclear build and extension of low level waste facilities. Even greater payments have resulted in the oil and gas sector particularly related to North Sea offshore development.

With regard to UK energy projects, on-shore wind projects pioneered many of the Community benefit approaches in the UK. However, the scope of relevant projects that can utilise community benefit approaches is much wider. There has been a large scale of growth in UK offshore wind, with projects often on a much larger scale than on-shore, plus other renewables including solar arrays, and emerging technologies such as tidal barrages and tidal streaming who are all able to engage with the community around providing a form of community benefits arrangement.

The information shown below presents key national best practice guidance for renewable energy projects on delivering community benefits across England, Scotland and Wales. It should be noted that projects outside of renewable energy can deliver community benefits arrangements although for the purposes of this report the focus is on renewable energy with wider projects discussed where relevant. Other sub-sectors can and do draw on this evolving practice.

National best practice benchmarking – delivering community benefits across renewable energy projects:

Scottish best practice	The Scottish Government has been proactive in working with communities and offshore project developers both on community benefit funds and shared ownership. The Scottish Government onshore and offshore community benefits guidance principles have been widely adopted across the renewables industry, providing a community benefits benchmark for the sector.
Welsh best practice	Promotes community benefits of the value equivalent to £5,000 per installed megawatt per annum. Welsh Government policy on community benefits from construction projects provides guidance to ensure appropriate Community Benefit objectives are identified and outcomes delivered. From 2010 to 2014 results from the first 35 public sector projects worth £465m showed that 85% has been re-invested in Wales. 562 disadvantaged people have been helped into employment, receiving over 15,460 weeks of training.
English best practice	In 2014 the Department for Energy and Climate Change published its best practice guidance for England's Onshore Wind developments. It seeks to encourage tailored community benefits packages which can be flexible and identify innovative solutions. The guidance is underpinned by similar guiding principles to the Scottish best practice principles.

4 DELIVERY MECHANISMS

IACC's role is to support and facilitate appropriate delivery mechanisms to ensure the best outcomes for the community; therefore IACC does not anticipate routinely receiving community benefit funds for administration by the Council. It may be appropriate for IACC to administer funds where a specific project or use for those funds outside of the statutory responsibilities of the Council has been identified and IACC is best placed to deliver that, however this is not intended to be the standard approach.

4.1 Key principles

While the IACC has set out some potential delivery mechanisms in this Strategy, these are not prescriptive and the Council will work with developers to support any proposed mechanism that can deliver a community benefit and meets the following key criteria:

- The proposal must deliver a defined, benefit to local communities, in accordance with the proximity principle and with clear objectives around the outcomes to be achieved.
- The administration of funds must involve local people in decision making: while the developer can set parameters on what funding can be used for, they should involve local people in making the decisions on the precise projects or schemes funding is used for. For example, panels determining application for grants from a fund should include local representatives.
- All processes should be publicised and transparent: the existence of funding and information on how it will be used must be made easily publically available. Where a scheme allows for applications for funding to be made the application process, eligibility criteria and decision making process should be advertised to potential applicants and should be structured to be as clear and transparent as possible.
- The use of funds should be reported on. An annual report setting out how funds have been used, what projects or schemes have been supported and what outcomes this has result in should be produced and made available to local communities.
- The holding of any CBC funds should be properly managed and audited. Accounts showing the application of funds, including deductions for administrative costs, should be made publically available at the end of each year of operation to assist the community in understanding how these have been used.

4.2 Examples of delivery mechanisms

(a) Third Party Not for Profit delivery vehicle

The Council has been exploring options to establish a third party not for profit company to deliver CBC's on Anglesey. The intention would be that developers can simply access this existing structure and define the use of the CBC's within parameters without having to set up a new delivery vehicle or mechanism for each project.

(b) Grant funding approach

A voluntary fund, administered by developers, authorities or communities. The mechanisms are usually established in consultation with communities and communities usually apply for funding from the community fund.

Lower Stanley Solar Farm in Tewskesbury is an example of a solar project where community benefits were delivered to the community. The developers had originally wanted this to be a community-owned solar farm, but this fell through. Instead, they helped set up a local trust, run by members of the local community, which administers a community benefit fund of £4000pa to support local initiatives and promote sustainability.

As an alternative to setting up a bespoke trust or similar legal entity, an existing administrative body can be used. One such body providing a fund management and grant-making service is the Community Foundation in Wales, an independent charity. Using an existing body can reduce the administrative burden on developers by allowing access to exiting processes within the organisation is already established, staffed and managed and which has reporting, accounting and auditing procedures in place.

(c) Pre-Existing Funds

Developers can pay into pre-existing funds such as development funds, nature preservation and wildlife trusts. These can be funds supporting works which bring a benefit related to the impacts of the development. For example on Anglesey there is ongoing work on the restoration or reinstatement of field boundaries to reinforce the historic landscape pattern which can help to balance the landscape and visual impacts of new development.

(d) Direct Investments and Project Funding

Developers make direct investments in or donations to local projects. These are usually to target specific areas of the local economy (e.g. tourism). Measures can be related to the nature of the development; for example, a renewable energy generator could consider supporting the installation of public electric charging points. This could also be used to support employability initiatives or apprenticeship schemes.

5 CONTACT

Any person who considers that it would be appropriate to discuss CBCs with the County Council should contact the Energy Island Programme Office

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