

# Community Shared Ownership of Renewables

An opportunity?



## Hosts

Democratic Finance Scotland – Morven Lyon

Local Energy Scotland – Mark Brennan and  
Christina Hinds

Agenda

# What we'll discuss this afternoon



→ Introduction to community shared ownership incl. DTAS context

→ Local Energy Scotland support

→ CSO landscape mapping

→ Current good practice and challenges

→ Q&A

# About us



Local Energy Scotland is a consortium comprising:



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# What is shared ownership?



“ - any structure which involves a community group as a **financial partner** over the lifetime of a renewable energy project.”

.... from Scottish Government's, [Shared ownership of onshore renewable energy developments - good practice principles](#)

Shared ownership is **separate** and **additional** to the community benefit fund.



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# The ambition for shared ownership



“We continue to encourage the renewables industry to consider, explore and offer shared ownership opportunities **as standard** on all new renewable energy projects including repowering and extensions to existing projects.”

.... from Scottish Government's, ["Onshore wind: policy statement 2022"](#)



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# What is shared ownership cont.



- On a “commercial” basis.
- Shared ownership “models” – these are not rigid:
  - Split Ownership – purchase, say, 1 of 10 *turbines*.
  - Joint Venture – purchase *shares* – FCA regulated.
  - Shared Revenue – purchase *revenue* stream.
- Primarily for the local community, but can be widened, eg to increase community capacity.
- **Investment risks – might result in losses or lower than expected profits – requires appropriate professional advice.**



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# Shared Ownership – DTAS Context

**A Development Trust** = a great governance structure for shared ownership

- Community led and place based
- Enterprising approach
- Roots into the wider community
- Underpinned by a Community Action Plan

Only 3% of members (4 DTs) have a shared ownership arrangement in place  
Several DTs in early stage discussions

Developments:

- DTAS Charter Mark
- Developing the funding market through our Democratic Finance Programme

# Shared Ownership – Case Study



## Fintry Development Trust - Stirlingshire

- FDT established commercial arm (Fintry Renewable Energy Enterprise) to take ownership of one fifteenth of Earlsburn Wind Farm in 2007
- Fully paid off the loan for the shared ownership in 2023
- Now have a considerable income from the arrangement

### POSITIVES

- ✓ Able to support our community through grants during a fuel and cost of living crisis
- ✓ Not reliant on grant funding for other projects
- ✓ Providing employment for three staff and other consultants
- ✓ Freedom to think outside the box and push boundaries for environmental solutions in the community

### CHALLENGES

- ✓ The responsibility on volunteer Trustees
- ✓ Addressing the financial governance needed to manage our income safely and responsibly.
- ✓ Decision making on what would benefit our community most
- ✓ Dealing with those who disagree with those decisions!



# Scottish Community Coalition on Energy

**Members:** DTAS, Community Land Scotland, Community Energy Scotland, Scottish Communities Finance Ltd

DTAS leading on **Shared Ownership Working Group**

## Key Asks

- Proactive mapping and early stage awareness raising
- Clarity on Scottish Government ambitions and targets
- Community capacity building and standardised frameworks
- Build relationship with developers
- Develop funding market



# The shared ownership process

- Developer usually presents opportunity to local community councils.
- Communities can look at planning applications and approach developers.
- Other local development trusts and bodies should be involved in considering shared ownership opportunities.
- Identify and agree on the community organisation best placed to act as “lead” to assess the CSO opportunity – all other organisations remain equally involved as partners.
- Seek support from LES.

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# What support is there from LES



- CARES grants for legal and financial advice.
- Support to procure legal and financial advice.
- Support with facilitating meetings with developer and other community groups
- Training – development process, Intro to CSO, Structures
- Standardised documents – MoU

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# CSO online register



Filter by: [Clear filters](#) No projects found for these filters.

**Project type**   
Shared ownership

**Technology**

**Project stage**

**Project location (local authority)**

**Area of benefit**   
Local authority: Highland   
Community council: Creich

**Capacity**

**Locally/community owned**

**Project owner**

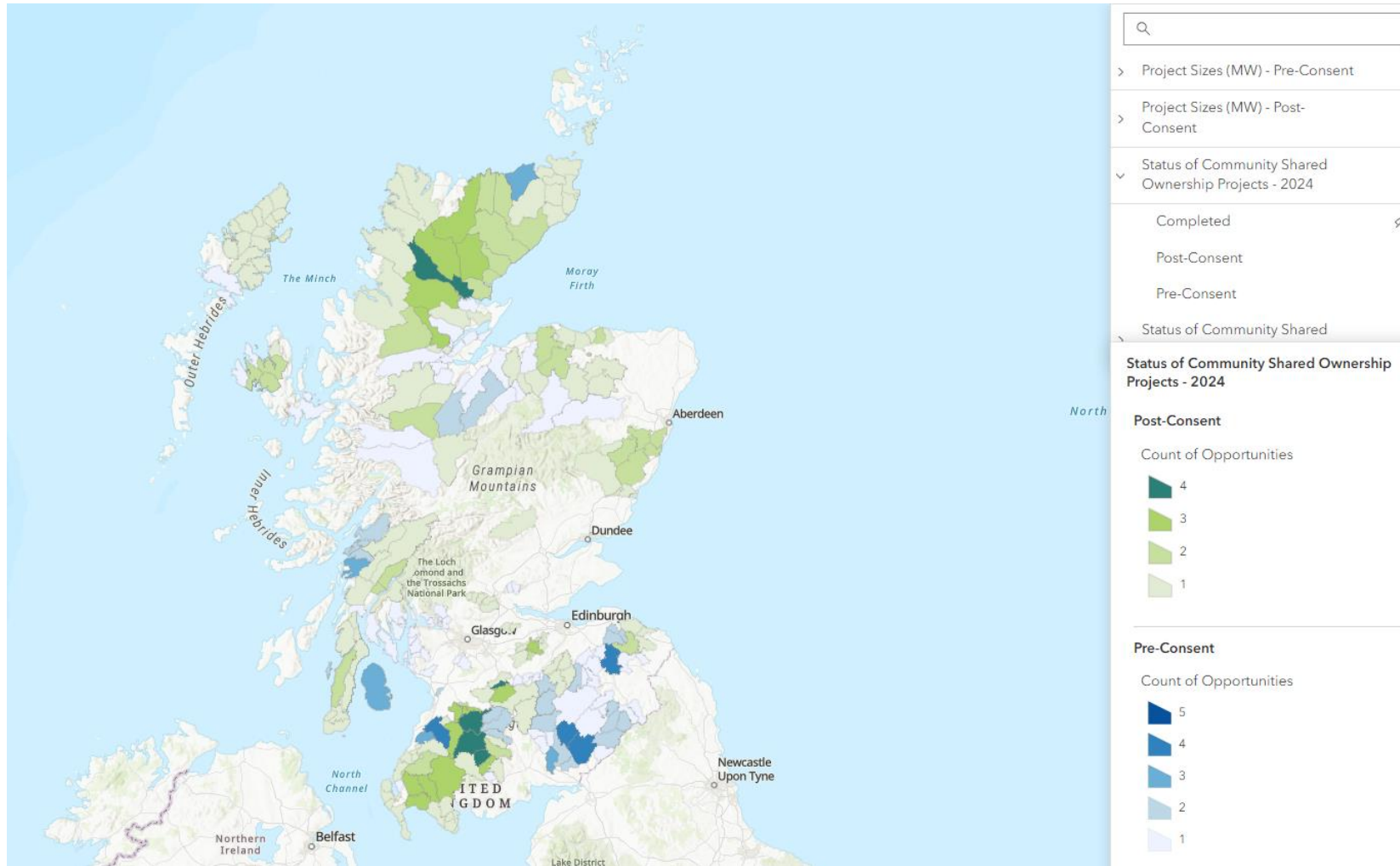
Map | Satellite

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# CSO mapping by community council areas

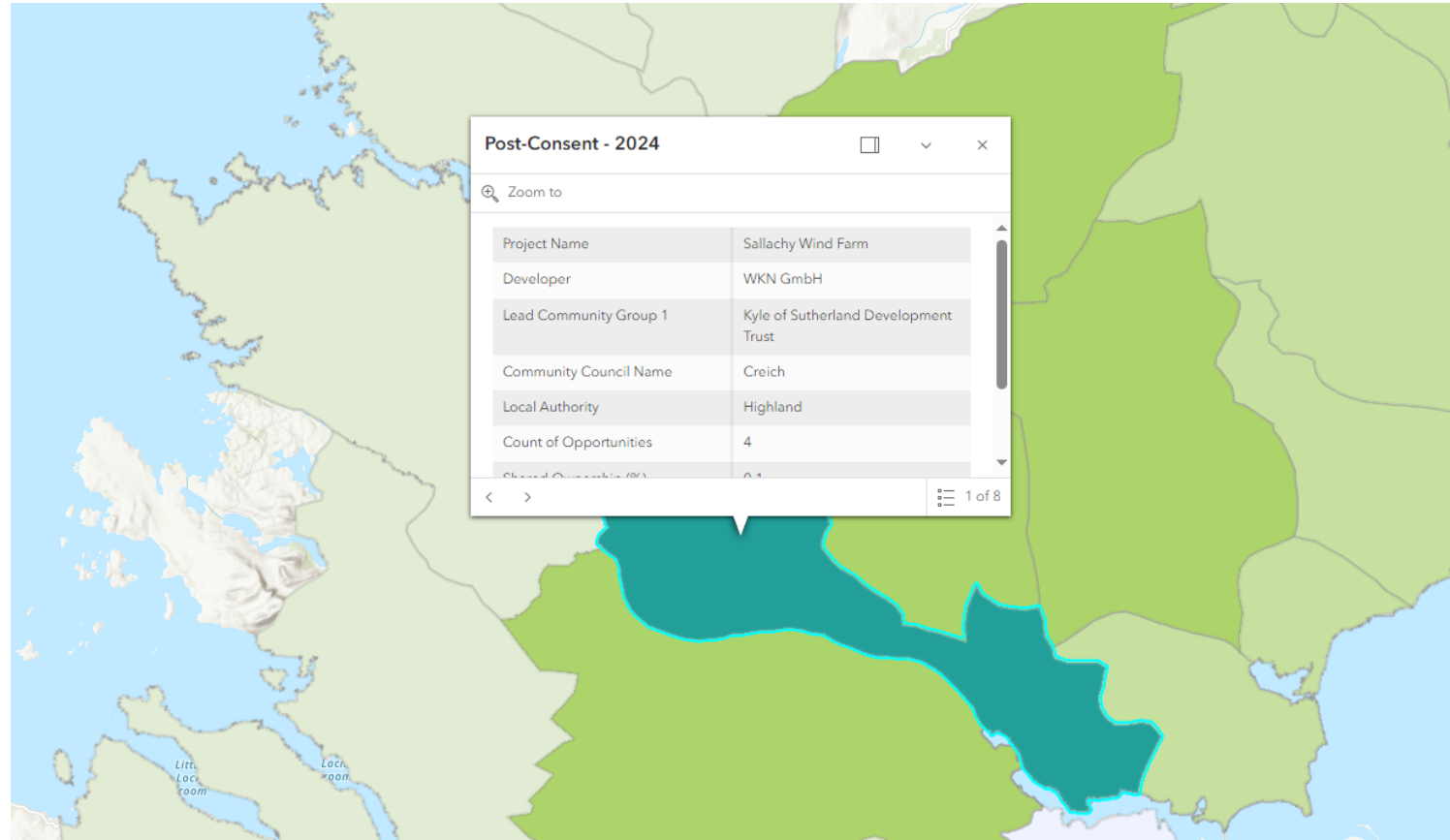


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# Zoom by community council



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# Community shared ownership landscape and pipeline



	Number of Developments	Capacity in MW
Completed Shared Ownership Arrangements	20	23 MW
Advanced Stage Shared Ownership Pipeline	18	Approx. 166 MW
Early Stage Shared Ownership Pipeline	119	Approx. 584 MW
Scottish Government 2030 Onshore Wind Target		20,000 MW

The 137 pipeline opportunities present a huge opportunity and a huge challenge.

# Examples of existing area wide initiatives for CBF & CSO



- **Community Energy Moray (Community Benefit Society)** – 23 Community Council areas – Clash Gour wind farm – EDF – 225MW - £5k/ MW/ annum CBF + 5% CSO.
- **East Kintyre Renewable Energy Group (Company Limited by Guarantee)** – 10+ Community Councils – various wind farms, e.g., Clachaig Glen - RWE – 40MW - £5k/ MW/ annum CBF + 49.5% CSO (FLS).
- **Association of East Lothian Community Councils (CARES funding legal advice)** – 20 Community Council areas - Newlands Hill Wind Energy Hub – Belltown Power - 161MW - £5k/ MW/ annum CBF + 5% CSO.





# Current challenges and action needed

- Raising awareness and interest
- Scottish Government clarity on SO ambition – a mandatory approach?
- Developer appetite for shared ownership
- Community capacity to progress
- Securing low-cost, patient finance
- Fair opportunities for all – more collaborative working?

# Shared ownership contacts

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# Q&A

# Example process



## Example A

- Group gets in touch with LES because they've had an offer from a developer
- The development is at consultation stage so the planning application hasn't been submitted yet, so a detailed offer will be several years away.
- LES meets with the group, and the developer if asked, and talk through what they can do while the planning application is in progress:
  - Agree an MoU with the developer
  - Build understanding about shared ownership, investment, community development/consensus
  - Keep in regular contact with the developer and watch the progress of the application

# Example process



## Example B

- A development has been granted consent and the developer is able to begin a real discussion about shared ownership. There will be around 2 years at this point between consent and the development being operational, all going well.
- The group can get support from LES at this point for:
  - Legal advice on setting up a body that can invest as well as on any documents the developer may present (e.g. NDA)
  - Financial advice, introduction to lenders
  - Working with the developer