

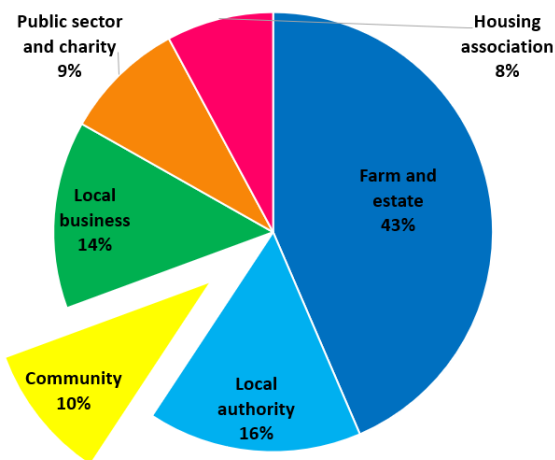
# Recommended manifesto policies – Scottish Community Coalition on Energy

## Context:

There is growing opposition to new clean energy infrastructure, threatening Scotland’s climate targets and the UK’s clean power targets. The UK Government plans to build the majority of new onshore wind capacity before 2030 in Scotland, but 53 community councils in the Highlands recently [supported a joint statement](#) calling for a pause on energy infrastructure developments, and [10% of Scots are against the development of onshore wind](#).

To build public support for renewables and the energy transition, we must enable and support **increased community ownership and shared ownership** of new and existing electricity and heat infrastructure, and **fair distribution of the wealth** that is being consolidated through renewables.

**62% of the public would support a community-owned renewables** project in their area, compared to 40% support for a private project. This is partly due to financial benefit: on average, community-owned windfarms provide 34 times more financial benefit per MW (and sometimes more) to the local community than private windfarms. However, equally important is that communities feel a **sense of control and involvement in the energy transition**. Community energy projects drive sustainable behaviour changes and help ensure a **just transition for all**.



Community stakes in shared ownership projects can count towards both targets.

The UK Government has set a target of 8GW of community and local energy by 2030. The more of this we can secure in Scotland, the more funds we’ll leverage in from GB Energy’s [Local Power Plan](#). The Scottish Government has already set itself a target of 2GW of *local and* community-owned energy by 2030. [It is currently at 1.1GW](#), but 90% of this is not community-owned; instead it is owned by local businesses, farms and estates or local authorities.<sup>1</sup>

### Recommended targets for Scotland:

- **By 2030: 1GW of community-owned energy.** We are currently at 0.1GW, so this requires an increase of .9 GW. Achieving this would also achieve Scottish Government’s own 2GW target (see above).
- **By 2040: 25% of energy generation and storage in community hands.**

The community energy sector [doubled in size](#) every year between 2014 and 2017, when the right policies and incentives were in place. It can do so again, particularly given the UK Government’s new [commitment to increasing community ownership and shared ownership](#), the explicit inclusion of supporting community energy [in GB Energy’s remit, in legislation](#), and the [new funding](#) already coming in to Scotland for community energy.

Alongside targets there must be a commitment to publish a **route map of policies and funding** that will enable the targets to be met. This should include the policies below.

<sup>1</sup> Fig 1: Breakdown of the Scottish Government’s category of ‘community- and locally-owned energy’, using data from Energy Savings Trust’s [Community and Locally Owned Energy in Scotland 2022 report](#) (2023).

## Manifesto policy recommendations:

1. **Increase [CARES funding](#) for community energy to £15m/year, rising each year.<sup>2</sup>**
  - a) This should include increased, **multi-year capacity-building funding** for community energy organisations to hire **Community Energy Officers or Community Heat Officers**, who will develop projects that meet the need of each community. The funding should be prioritised for areas with higher levels of multiple deprivation.
  - b) Establish a new **Community Heat Growth Fund**, mirroring the Community Energy Generation Growth Fund, but for community-led heat projects including district heating. This should include funding for feasibility studies and capital costs.
2. **Consult on amending planning legislation ([Town and Country Planning \(Scotland\) Act 1997](#)) to:**
  - a) include the principle that “applications for energy developments that will be **fully or partly community-owned will be prioritised** over applications with no community ownership.”
  - b) refuse planning consent for renewables and energy storage projects determined by local authorities unless the projects:
    - i. **Provide community benefit funds** at the benchmark level set out in the Scottish Government’s Good Practice Principles, or any higher benchmark set by the UK Government.
    - ii. **Offer community shared ownership** at 20% or more, enabling community organisations to own a stake, have a say and benefit financially from returns.

*Background: Consenting electricity projects over 50MW is reserved to Westminster under the Electricity Act, but decisions on projects up to 50MW are devolved and governed by Scottish planning law. These changes to the main planning legislation would prioritise land for community-owned energy projects over corporate energy developments, and require private energy developments to offer a fair deal to local communities.<sup>3</sup>*

3. **Update the [National Framework Agreement for the Supply of Electricity](#) to allow local authorities and other public bodies to buy energy direct from community energy groups.** This would mean lower costs for the local authority and a guaranteed income for the community group, retaining wealth in the community.

*Background: Currently the [National Framework Agreement for the Supply of Electricity](#) doesn’t allow public bodies to buy a percentage of their power from local communities. The current Framework Agreement expires March 2026, and the Scottish Government can grant yearly extensions until 2029. [Cabinet Secretary Gillian Martin has indicated](#) that the 2029 version will include improved options for community energy procurement (e.g. ‘[sleeving](#)’ of Power Purchase Agreements), but we want changes to be made before then.*

4. **Create more space for community energy on public land**, by encouraging Forestry and Land Scotland and other public bodies to grant leases to community energy groups. This can be done through:
  - a) **An update to the Scottish Public Finance Manual (SPFM)<sup>4</sup> and Community Asset Transfer guidance<sup>5</sup> to include higher weighting for community ownership bids.**
  - b) **Require public bodies to publish break clauses and lease end dates** on their land register, to give local community groups advance notice of when renewables leases will become available. This requires updating the [Community Asset Transfer Guidance](#) (section 7).

<sup>2</sup> Compared to £13m in 2025.

<sup>3</sup> [NPF4 already includes Policy 25 on Community Wealth Building](#) which states that community ownership will be supported, but in practice there is not enough space being made for community energy projects.

<sup>4</sup> Including the [section on Property Acquisition, Disposal and Management](#). Public bodies need a stronger steer on weighting community applications more highly in competitive tender processes due to the higher levels of revenue that are retained and spent locally when assets are community-owned; the guidance should spell out how this contributes to ‘best value’.

<sup>5</sup> Including section 13.14.

*Background: Giving preference to community applications for leases is justified by the [community wealth building impact and far higher community benefit payments](#) that are provided by community-owned energy projects compared to privately-owned equivalents, retaining wealth in local economies.<sup>6</sup> [Cowal Community Energy bid](#) for a repowering lease at Cruach Mhor windfarm on FLS public land, but their bid was rejected in favour of a new private operator based in Europe. This goes against Scottish Government's own objectives on Community Wealth Building and growing community energy. The above changes would give community groups a better chance of taking on renewables leases in the future.*

5. Support community organisations to **co-develop heat networks**, alongside Councils; to own or co-own companies that operate the networks in the public interest, and to sell community-generated electricity to the networks, lowering energy bills for local households and businesses. Some practical steps to achieve this are:
- Amend the Heat Networks (Scotland) Act 2021 to require new heat networks to be operated on a not-for-profit basis.** The non-profit rule in Denmark [has led to](#) low prices for consumers, high quality infrastructure and high levels of community ownership.<sup>7</sup> This would need to be paired with changes to enable local authorities and community organisations to access and underwrite low-interest loans (e.g. from the National Wealth Fund or Scottish Government's Heat Network Fund) for *all types* of heat networks.
  - Mandate public sector connections:** All publicly owned buildings should be required to connect to a heat network where one exists and it is viable. This would enable communities to demonstrate heat demand from large 'anchor loads' when developing a business case for a community-led heat network.<sup>8</sup>
  - Support regional collaboration:** Heat network zones should accommodate large, cross-boundary systems like the East Lothian–Edinburgh 'heat highway', so that heat can be transported from where it's produced to where it's needed, making projects more financially viable. Scottish Government's Heat Network Support Unit should support joined-up working between local authorities and community organisations.

*Background: There is growing interest in community shared ownership of heat networks amongst community groups and Councils, from Edinburgh to East Lothian, [Kinross](#) and [Inverurie](#), building on pioneering examples from [Shetland](#) and [Aberdeen](#). Edinburgh Councillors recently agreed that non-profit delivery models are more likely to alleviate fuel poverty and deliver low carbon homes than private sector-led models ([see motions pack p. 20](#)). Potential models are explored in the [feasibility study for East Lothian Heat](#). Community leadership can overcome the biggest challenge that heat networks face – getting households and businesses to connect – because community organisations are more trusted than private companies<sup>9</sup>.*

6. **Establish a Scottish Community Wealth Fund** to equitably distribute a portion of the wealth being generated by Scotland's natural renewable resources. This is a transformative policy that could excite the public about the energy transition, increasing buy-in and promoting a just transition, as well as providing finance for increased community energy ownership. This Fund would not be managed by the Scottish Government, but their role is to give the proposal their support and encourage or incentivise developers to contribute to the fund.

*Background: The Fund would manage contributions from developers of renewables, storage and transmission, with the majority coming from offshore wind. The fund could be seeded with ScotWind lease revenue, and would grow overtime from its investments. Funds would be ringfenced for communities to bid into, to invest in land, buildings, staff or their own renewables (including repowering) – these are all routes to building lasting community wealth, owned by the community. The Fund would be managed by an independent governance board and committee with fund management expertise. Scottish Government could use tax incentives like Renewable Energy Generation Relief or an infrastructure levy to incentivise energy developers to contribute to the Fund. Please see [this paper](#) and [this blog](#) for further information.*

<sup>6</sup> Any update to the SPFM could draw on the [Treasury Green Book's analysis](#) of how 'transformational changes' should be appraised, as community-owned energy projects provide transformational benefits for communities.

<sup>7</sup> 84% of heat networks in Denmark are owned by consumer co-operatives ([See this peer-reviewed study](#)).

<sup>8</sup> The Heat in Buildings Bill may include powers to require public sector buildings to connect; these powers will need to be used.

<sup>9</sup> See p. 21: <https://ashden.org/storage/2025/05/Digest-of-evidence-about-the-value-of-community-energy.pdf>

## UK Government asks to complement the above and achieve the targets:

1. Enable community energy projects to move ahead in the grid connections queue, justified by the added social and local economic value it provides, by **designating community energy as ‘needed’ in NESO’s next Project Designation Methodology**, and enabling NESO to consider Regional Energy Strategic Plans when assessing projects. DESNZ and Ofgem want to be able to do this, and we are working with them to provide a justification for ‘due discrimination’ in favour of community energy.
2. **Establish a minimum price floor for community energy sold to the grid** (e.g. Community Energy Export Guarantee, or a simplified CfD). This will provide a stable income to community groups, derisking their projects and helping them access private finance and develop more community renewables generation. Again, we are in conversation with DESNZ about this and they are exploring options.
3. **Follow through with [proposals to make shared ownership offers and community benefits mandatory](#)**, for all developer-led renewables, storage and repowering projects. The funds that community groups receive from these can be used to develop their own renewables, if the community wishes to do so.
4. **GB Energy’s Local Power Plan (expected by close of 2025) should:**
  - a. **Maintain the £1bn promised to meet the 8GW UK-wide target.** A fair share of that money should be spent in Scotland, recognising both higher costs in Scotland (especially in rural/island areas), but also higher renewables potential in many parts, and the reliance on Scotland’s land to meet the target.
  - b. Make grants to Local Authorities **conditional on offering shared ownership or distributing sub-grants** to community energy organisations in their area.
  - c. Include a **balanced package of financial tools** including grants, loans, and equity investments.
  - d. Outline GB Energy’s role in **underwriting loans for communities** to secure shared ownership stakes.

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