

Agenda Item	<b>10</b>
Report No	<b>HC/18/24</b>

# The Highland Council

**Committee:** The Highland Council

**Date:** 27 June 2024

**Report Title:** Social Value Charter for Renewables Investment

**Report By:** Assistant Chief Executive - Place

## 1 Purpose/Executive Summary

- 1.1 At the Council meeting in December, a paper was considered that set out the current position of energy production and delivery in Highland and the opportunities to unlock the potential from renewable energy. The Council agreed to progress a number of actions which included developing an approach to maximise the opportunities and social value that could be derived from renewables investment.
- 1.2 The Highlands have rich resources that are ideally suited to encouraging and expanding renewables development and the growth of production and investment in renewable energy in Highland has brought opportunities to the area. However, as time progresses, and the scale of renewables increases, there is a need to ensure that the wider Highland community can benefit more from profits being generated.
- 1.3 This paper proposes a Social Value Charter for Renewables Investment, which sets out the community benefit expectations The Highland Council has from developers wishing to invest in renewables in this area. It also outlines what the Highland partnership – public, private and community – will do to support and enable this contribution. It aims to:-
- embed an approach to community wealth building into Highland;
  - maximise economic benefits from our natural environment and resources;
  - engage and involve relevant stakeholders to understand how we can continually improve our impact; and
  - unlock economic opportunities for the area

## 2 Recommendations

- 2.1 Members are asked to:-
- i. **Agree** the Social Value Charter for Renewables Investment set out at Appendix 1;
  - ii. **Agree** the immediate use of this Charter in all engagement with renewable energy investors in Highland; and

- iii. **Agree** the next steps to progressing this approach and that a paper on the development of the Strategic Partnership and funding management models will be prepared and agreed by the Economy and Infrastructure Committee as soon as practicable.

### **3 Implications**

- 3.1 **Resource** - There are no direct resource implications as a result of the report however elements of what are proposed would require development of financial management models to enable these to be delivered such as the Strategic Fund. This will be progressed at the next stage. Implementation of the Charter will require to be embedded in business-as-usual activity. Where commitments are proposed that involve development of funding or financial management models, these will all be subject to a financial impact assessment prior to implementation.
- 3.2 **Legal** - There are no direct legal implications as a result of the report however the proposed Strategic Fund and the Shared Investment from Renewables elements will both require legal agreements to enable delivery.
- 3.3 **Community (Equality, Poverty, Rural and Island)** - A screening for impact has been undertaken. This highlights the potential for socio-economic benefit related to opportunities (skills and training), places (housing) and financial impact (employer charter – living wage) as a result of what is proposed in the Charter. There were no negative impacts identified as a result of what is proposed in the charter but there will be opportunities to maximise opportunities and address inequalities from the Charter which would enable positive benefits on particular groups e.g. those with protected characteristics.
- 3.4 **Climate Change / Carbon Clever** - The Charter promotes renewable energy development to achieve a net zero future. By integrating projects that enhance local socio-economic benefits and sustainability, it supports a circular energy system, reduces emissions, and drives significant long term environmental, economic, and social benefits aiding climate change mitigation and adaptation.
- 3.5 **Risk** - At the present time, and within the current legislative framework, the Charter will be voluntary and there is no compulsion for developers or investors to comply. Work will continue to engagement with UK and Scottish Governments to encourage a more statutory approach. However, the creation of the Charter enables a framework through which to engage developers and the Council will utilise the tools in place e.g. the major pre-planning advice service and other discretionary planning services offered to ensure early engagement in partnership agreements with developers.
- 3.6 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** – There are no implications.
- 3.7 **Gaelic** - There are no direct implications.

## 4 Background

4.1 One of the Council's strategic priorities, as set out in Our Future Highland, is to:-

*Make the most of the financial and environmental opportunities arising from the huge renewable energy potential in the Highlands.*

This sits alongside the commitment to community wealth building – to take a more people centred approach to economic development - and enable wealth to remain within the local area.

4.2 At a Partnership level, there are specific commitments contained within the revised Highland Outcome Improvement Plan to:-

*Creating opportunities for all people and places to prosper and to thrive economically.*

This includes a core outcome to developing community wealth building approaches and maximising investment to the area and a direct action to agree a Charter to maximise community benefit from renewables.

4.3 The Highlands and Islands Regional Economic Partnership has also been working together in order to develop a shared approach to offshore developments in order to maximise the benefits to communities. The HIREP recently agreed four key objectives for partners:-

1. To ensure all communities across the region can benefit from the funds allocated in line with the principles of community wealth building.
2. To create strong governance, efficiency, transparency and accountability for the funds including the value collected, how they are distributed and what they support.
3. To ensure that communities are engaged in the funding decisions and empowered through the management of the funds.
4. To enable collaborative and high value projects which lead to long-term socio-economic impacts.

4.4 At the Council meeting in December, a paper was considered that set out the current position of energy production and delivery in Highland and the opportunities to unlock the potential from renewable energy. The Council agreed to progress a number of actions designed to progress this approach. This included the development of a Community Wealth Building Strategy, a draft is current out for consultation having been agreed at Council in March 2024, and a Community Benefit policy to articulate our aspiration from community benefits and social value from our contracts. This latter piece of work will come forward to the Communities and Place Committee in September.

4.5 A further set of commitments were set out with the aim of maximising the opportunities and social value that could be derived from renewables investment. This is the focus of this paper and sets out a position to progress that aim, ahead of the wider Community Wealth Building Strategy.

## 5 The Context for Change

- 5.1 The growth of production and investment in renewable energy in Highland has created significant opportunities in the area. However, as the scale of renewables expands, it is crucial to ensure that the wider Highland community benefits from the generated profits. Currently, local communities receive approximately £9.1m annually in community benefits. This is below the expected commitment based on Crown Estate guidance which suggests developers should contribute £5,000 per installed MW, equating to £13.9m.

For context, the potential income from wind generation in Highland for 2023 is estimated to be around £591.3m. This calculation is based on a potential production of 11,826,000 MWh, with a capacity factor of 30% and an average energy cost of £50 per MWh. It is important to note that this estimate excludes constraint payments, which are estimated to be around £68 million for the same period.

- 5.2 The pipeline of development for the region from renewables is significant and a number of the original developments are in the process of being repowered (i.e. recommissioned). The landscape is however changing rapidly, and UK Government has recently announced they will be launching a new community benefit programme related to electricity transmission infrastructure, with guidance due to be published later this year. Guidance from Scottish Government on offshore wind development has been in place since 2019. However, both UK and Scottish Government guidance on any benefit from renewables is voluntary and it is essential that a legacy of development is left for the benefit of the wider Highland area.
- 5.3 In 2023, the Scottish Government published NPF4. Policies 11 and 25 have a direct reference to development proposals and are key drivers for the Council's to review operations for securing and distributing community benefits and ensuring local economic impact is maximised.
- 5.4 As part of ensuring a just transition to net-zero, the NPF4's Policy 11 states that all renewable development proposals should maximise net economic impact, including local and community socio-economic benefits. With the intention of creating productive places Policy 25 also specifies that development proposals should align with local or regional community wealth building strategies and the economic priorities of the area.
- 5.5 Moray Council and Highland Council jointly commissioned work to look at the net economic impacts of onshore wind and the operation of community benefits to determine what is needed to ensure that net economic benefit is maximised.
- 5.6 The key messages from the work set out in BIGGAR Economics' report to Moray Council and Highland Council (January 2024), that are important to maximise net economic benefit are as follows:-
- The voluntary nature of collaboration between developers and communities.
  - Leaving scope for innovation and bespoke solutions and opportunities
  - A planned approach is crucial for maximisation.
  - The approach should be holistic.
  - It should enable rapid deployment and not be a barrier.
  - Ensure high local supply chain content.
  - Bespoke local employment and skills training.
  - Fair contributions for enabling infrastructure.

- Fair community benefit packages.
- Continued innovation.

## 6 The Opportunity

6.1 Across Highland the total community benefit funding that could be available from operational, planned and repowered onshore wind farm sites could be:-

- £17.5m per year in 2030, with a cumulative value of £158.9m; and
- £20.7m per year in 2050, with a cumulative value of £549.4m

6.2 In addition, there is potential to attract (at the least) £20m per year in from offshore wind, if we assume full planned operating capacity and a contribution of 2.5% (currently £5,000 per MW) value generated (illustrative allocation between local authority areas as proposed by HIE).

6.3 The scale of the opportunity is therefore considerable and at present, despite being at the centre of renewable development and investment, the Highland area is not being compensated accordingly. Given the current voluntary nature of the social value investors and developers need to commit to, it is important to set out a framework for Highland to support discussions and negotiations with suppliers and clarity on the price and privilege of doing business in Highland. Developing a more consistent approach to leveraging social benefit from renewables investment will assist in delivering greater benefit for Highland communities.

## 7 Social Value Charter

7.1 A draft Social Value Charter is set out at **Appendix 1**. This sets out a 9-point plan articulating the expectations of the Highland area for any renewables and green energy developments. The aims of the Charter are to:-

- embed an approach to community wealth building into Highland;
- maximise economic benefits from our natural environment and resources;
- engage and involve relevant stakeholders to understand how we can continually improve our impact; and
- unlock economic opportunities for area.

7.2 The Charter sets out both the asks of investors and developers alongside the offer from Highland. Included within this are fundamental principles that all communities across Highland should benefit from renewables investment and that in addition to direct benefit to local areas, support to wider infrastructure should form part of the ask on developers.

7.3 This is being presented as a Charter for Highland and Highland communities. It is vital that this is a partnership approach for Highland so that there is a shared and consistent approach to negotiations and discussions with investors and developers. Accordingly, the draft Charter was agreed by the CPP Board at its meeting on 5 June 2024.

7.4 Each of the nine points in the plan are detailed below:

## **8 Point 1 - Community Fund**

- 8.1 A fundamental principle of the new Charter is not to undermine the funds already received by communities directly as a result of existing renewables developments but to sustain these and build on this position for the benefit of all Highland communities.
- 8.2 In mid-2023, 88% of operational wind farms in Highland had an associated community benefit fund and the average value of funding provided was nearly £3,000/MW. Although this figure falls well short of the £5,000/MW recommended in good practice guidance, many of the developments to which they relate were constructed before 2014, before this figure became established good practice. This is therefore not the best indicator of whether this criterion is being satisfied.
- 8.3 While the average value of community benefit funds currently falls short of that recommended, there is good evidence this is moving in the right direction. A better indication can be obtained by considering how this is expected to evolve in the future. Initial analysis carried out by BiGGAR Economics suggests that the developers of around 90% of onshore wind farms being planned for the Highlands have expressed an intention to establish a community benefit fund worth at least £5,000 per MW per year. However, the lower value of funding associated with older wind farms suggests opportunities may have been missed in the past and therefore it is imperative that this scenario is not repeated.
- 8.4 Community led development is a part of Highlands and Islands culture. Some significant successes have been achieved by this sector. However, there are communities which have not had the same opportunities, have not developed the same high-level capacity and as a result have been unable to maximise the opportunities from the local funds directly available. It is therefore important that some communities will need support in the form of capacity building to be able to maximise the funds available to them.
- 8.5 There are also communities for whom, an active role in distributing funding, is not something they want to be involved with. Consequently, the Charter proposes to develop a mechanism that will enable a collaborative approach with these communities to create a mechanism for them to transfer their residual community benefit sums to a strategic fund to bring added value to their community. This could be to provide an additional element to a local development e.g. a community hall on a wider community POD site or a new active travel route. This would only arise in circumstance where a community has indicated they wish to progress this.

## **9 Point 2: Strategic Fund**

- 9.1 A core aim of the Charter is to ensure that *all* communities across Highland are able to benefit from renewables investment. Sharing community benefits is a core component of Community Wealth Building. The Highland Social Vale Charter seeks to aid a re-imagining of community benefits good practice in the context of Scotland's policy on Community Wealth Building, easing, and clarifying expectations for investors. It is proposed that in addition to direct community benefit funding of £5,000 per MW, investors will contribute a further £7,500 per MW for each renewable energy development to a central fund which will support and enable economic development, increase prosperity and achieve equity for communities across Highland.

- 9.2 The Council will facilitate creation of a Strategic Fund Partnership, to manage the strategic fund, to be comprised of Council, public agencies, Renewables Companies and Community representatives.

A Strategic Investment Plan will be prepared which will set out the investment priorities of the Community Planning Partnership around:-

- Housing;
- Connecting People and Places;
- Employment and Employability; and
- Addressing inequalities

This Strategic Investment Plan will allow all stakeholders to identify strategic projects that could be supported through the Fund, subject to the formal Governance set out above.

## 10 ***Point 3: Housing***

- 10.1 For many developers with large scale projects and programmes of work, housing is a critical consideration. There are opportunities to work in partnership to ensure that such developments provide housing to serve the needs of developers alongside providing a legacy for Highland communities at a time when housing is required across the area.
- 10.2 Investors may wish to provide legacy housing direct or work with Highland partners to provide financial contribution to enable development to take place. The offer from the Partnership is to provide those financial models to enable investment in housing to take place.
- 10.3 As outlined at item 13 on the agenda, Council officers have already had positive discussions with one provider - SSENT - regarding legacy housing, as SSENT is changing the way it approaches the challenges of housing its workers. A Housing Strategy is in development, a collaborative exercise with input from across the company, its contractors, workers, Councils, and local and national housing stakeholders.

The Council are working with SSENT on various Legacy projects including:

- **Serviced Sites:** Sites for worker accommodation identified in collaboration with housing stakeholders, serviced and left behind for future housing development. SSEN to have a policy on additionality, no displacement.
  - **Empty Homes:** Long term leases creating extra capacity in Council “empty homes” initiatives, in collaboration with housing stakeholders.
  - **Unlocking Housing Developments:** Long term leases on RSL new build (policy allowing), unlocking investment. Policy on additionality, no displacement, in collaboration with housing stakeholders.
  - **Making Use of Disused Property:** Upgrading near-site SSEN purchased homes for staff use, in collaboration with housing stakeholders.
- 10.4 This will provide a good model going forward for other similar investors and provide support for delivery of housing benefits we wish to see from the Charter.

## **11 *Point 4: Supporting the Highland Investment Plan***

- 11.1 The Highland Investment Plan provides a route and opportunity for investors and developers to provide direct added social value to the Highland economy and community. The HIP will enable investors to provide both direct and indirect support, financial or in-kind support for Council and community led projects. Opportunities will be identified for developers to engage and contribute to new community points of deliver, enhancing future developments and delivering longer term community benefits. This is not about financially contributing to the core development but providing investment to provide additional elements or enhance the project.

## **12 *Point 5: Shared Investment into Renewables***

- 12.1 In alignment with the National Planning Framework 4 (NPF4), which envisions Scotland's future places as net zero and nature positive, the Council recognises the imperative of fostering a circular energy system that integrates power, heating and transport sectors, the Council acknowledges that renewable energy development plays a pivotal role in achieving these objectives while simultaneously driving sustainable economic and social development across the highlands. Investment in renewables is a core outcome in the Council's Programme.
- 12.2 The Charter proposes that investors will provide the opportunity for the Council and other partners to participate in an integrated shared ownership model. The shared ownership model will enhance community involvement and investment while promoting equitable distribution of benefits. To support this, the Partnership will establish collaborative frameworks to ensure renewable energy projects can deliver widespread economic and social benefits, driving sustainable development across the Highlands.

## **13 *Point 6 - Skills and training: Workforce for the Future***

- 13.1 As part of the Council's Operational Delivery Plan, the Workforce for the Future workstream seeks to build cross sectoral career pathways, skills packages and partnerships to develop the future workforce of the Highlands. As part of this work, it wishes to recognise the contribution employers' make to the future workforce and to encourage more with the introduction of an Employer Charter. The Charter will set out the co-ordinated support the Council and Partners offer business, with businesses setting out what they will do and how they will invest in the current and future workforce. Core elements of the Charter include commitments to actively engage with schools (e.g. sector talks, STEM etc), provide work experience/placements and providing apprenticeships and training opportunities. Renewables investors will be expected to adopt the Employer Charter including delivery of Fair Work principles and the commitments to the ways of working in Highland.

## **14 *Point 7 - Match Funding for Local Projects***

- 14.1 The Council and the wider Community Planning Partnership are committed to developing a Highland Project Bank. It is a core component of adopting a Community Wealth Building approach and of the Council's Community Benefit Policy. Through the development of a Highland 'Project Bank', the Council will, in collaboration with stakeholders and local communities, identify opportunities which will enable investors to support community projects or initiatives in areas impacted by development. Investors will support opportunities through direct financial funding or match funding, or through in-kind support.



Adopting this approach towards community benefit activity will contribute to economic growth, help reduce inequality and benefits all sections of society.

## **15 *Point 8: Fast track for grid connections***

- 15.1 In addressing the need for increased grid capacity to transition to low carbon energy and drive economic growth at both a local and National level, the Council is committed to accelerating grid connectivity while prioritising socio-economic progress and environmental sustainability. Through the integration of Local Area Energy Planning (LAEP) with the Council's Local Heat and Energy Efficiency Strategy (LHEES) the Council can ensure a comprehensive energy planning approach. Collaborative engagement with investors, local stakeholders and public sector partners is essential for optimising opportunities and ensuring equitable development.
- 15.2 Aligned with National Planning Framework 4 (NPF4) objectives for a net zero transition, LAEP and LHEES play pivotal roles in guiding connections that support low carbon energy initiatives and economic development. The proposal will demonstrate tangible socio-economic benefits, in line with NPF4 and Scottish Governments Energy strategy and Just Transition Plan.
- 15.3 The Council recognises the importance of collaboration with both the transmission and distribution networks to develop smart grid solutions, enhancing grid resilience and reducing energy costs in areas with locally generated renewable energy. Working in partnership to maximise energy utilisation locally through smart grid technologies will bolster economic viability and environmental sustainability. Through this model of working a regional partnership approach can create an environment conducive to strategic grid infrastructure development that drives economic growth while transitioning to low carbon energy. This is therefore a key component of the Social Value Charter.

## **16 *Point 9: Maximising socio-economic prosperity through the planning system***

- 16.1 The Charter proposes that investors:-
- Set out how they intend to maximise the socio-economic benefits of their development proposals taking into account the Highland Outcome Improvement Plan, the key investment priorities of the Community Planning Partnerships and the Council's Community Wealth Building Strategy.
  - Collaborate with other investors and public sector partners to ensure that opportunities are maximised.
  - Set out their approach to community benefit taking into account the Council's Community Benefit Policy.
- 16.2 These commitments are proposed within the context of NPF4. National Planning Framework 4 sets out a strategy where 'Scotland's future places will be net zero, nature positive places that are designed to reduce emissions and adapt to the impacts of climate change, whilst protecting, recovering and restoring our environment.' Key principles guiding this include providing the opportunity for people to shape their places and ensure that the transition to net zero is fair and inclusive, as well as the need for development to create opportunities for communities and investment in areas of past decline and to manage development sustainably in areas of high demand.

- 16.3 Addressing the climate and nature crisis are overarching outcomes of the policy. Renewable energy development, as a vehicle to achieving net zero, is provided with significant policy support. However, such investment is not unqualified, in particular, in relation to protecting Scotland's environment and ensuring that it maximises socio-economic benefits. Additionally, proposals that contribute to community wealth building strategies and are consistent with local economic priorities have further policy support, including where they can be linked to community ownership. It is within this context that the Council proposes our approach.
- 16.4 Highland's commitments in support of this element of the Charter include that we will only support renewable energy proposals where they can demonstrate that they maximise socio-economic benefits, we will assess the community benefit opportunities of a proposal in line with NPF4 and the Scottish Government's Energy Strategy and Just Transition Plan and that we will work with the Scottish and UK Governments to lay a path for making the application of community benefits mandatory rather than voluntary through legislative and other relevant mechanisms.

## 17 Next Steps

- 17.1 It is recognised that under the current legislative context, any Charter or equivalent policy is voluntary. It is therefore important that Highland partners are consistent in their messaging and commitment to such a Charter when engaging with developers in order to support implementation.
- 17.2 Should the Charter be agreed, work will begin to embed this as an approach to business across Highland and raise awareness of its aims and purpose with investors and developers. The core principles and messages that underpin the Charter were shared with energy providers at the recent Energy Conference held in Inverness on 5 June and this was well received, with an appetite from developers to adopt this as a way of working.
- 17.3 This Charter will be incorporated into the day-to-day business of engaging and negotiating with investors both within the Council and across the wider Highland partnership. It will feature as a core component of the pre-application process and also be used in any discussion on future inward investment proposals the Council is involved in. It will be made clear that it is **highly desirable** for companies to have identified their commitment to the charter in place prior to the start of the formal planning process, which as Members are aware, is entirely separate from any discussion on community benefit. It will also form the basis of Partnership Agreements with Renewable Energy companies, demonstrating the benefits to be gained from future investment in the area, and the commitment to leaving a lasting legacy for the people of Highland.
- 17.4 As part of this process, work is still required to liaise with UK and Scottish Governments to encourage and succeed in establishing a legislative requirement to provide the range and types of social value as articulated in the Charter. A collaborative and co-ordinated approach from the Partnership is required to achieve this, alongside our wider Highlands and Islands colleagues.

17.5 Work will also commence on developing the approach to the Strategic Fund detailed in the paper. This will require the creation of a Partnership grouping – akin to the former Strategic Local Action Group in place for Leader funding – which will comprise of Councillors, public and private sector partners and community representatives. Options for funding management and dispersal will form part of this process, with consideration of the “accountable body” model in place for the Green Freeport being an option. Options for delivery this will come forward to a future meeting of the Economy and Infrastructure Committee. Alongside this work, a Strategic Plan will be developed to identify core criteria for the distribution of funds. This will need to take into account the Council’s Programme and Highland Investment Plan priorities alongside the HOIP priorities.

Designation: Assistant Chief Executive - Place

Date: 1 March 2024

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Background Papers: None

Appendices: Appendix 1 - Social Value Charter for Renewables Investment



**Highland**  
Community  
Planning  
Partnership

Com-pàirteachas  
Dealbhadh  
Coimhearsnachd

**na Gàidhealtachd**

## **DRAFT Social Value Charter for Renewables Investment**

The Social Value Charter sets out the community benefit expectations Highland has for companies wishing to invest in renewables in this area.

The Highlands have rich resources that are ideally suited to encouraging and maximising renewables development. It is important though that local communities benefit from the use of our resources. This is an opportunity to secure inclusive growth and lasting benefits for all Highland communities.

This Charter is designed to set out what the area expects from renewables investment alongside what we, as public/private/community sector partners, will do to support and enable this contribution. It aims to:

- Embed an approach to community wealth building into Highland
- Maximise economic benefits from our natural environment and resources
- Engage and involve relevant stakeholders to understand how we can continually improve our impact
- Unlock economic opportunities for the area

Our Partnership wants to work with companies wishing to do business in Highland to the benefit of all concerned and most importantly, the communities of the Highlands.



**Social Value Charter Commitments – 9 Point Plan**

No.	Theme	Commitment from Investors to Highland	Commitment from Highland
1	<b>Community Fund</b>	Investors will: <ul style="list-style-type: none"> <li>Retain the existing commitment of £5000k per MW from renewable energy developments to communities already receiving benefits and new developments emerging, in line with Scottish Government guidance.</li> </ul>	We will: <ul style="list-style-type: none"> <li>Where communities wish to contribute and enhance wider developments within their community, we will create a mechanism for communities to transfer their residual community benefit sums to a strategic fund.</li> </ul>
2	<b>Strategic Fund</b>	Investors will: <ul style="list-style-type: none"> <li>Contribute £7,500k per MW for each renewable energy development to a central fund which will support and enable economic development, increase prosperity and achieve equity for communities across Highland.</li> </ul>	We will: <ul style="list-style-type: none"> <li>Facilitate creation of a Strategic Fund Partnership, to manage the strategic fund. To be comprised of public agency, Councillor, Renewables Companies and Community representatives.</li> <li>Create a Strategic Plan which will set out the investment priorities of the Community Planning Partnership around:               <ul style="list-style-type: none"> <li>Housing</li> <li>Connecting People and Places</li> <li>Employment and Employability</li> <li>Addressing inequality</li> </ul> </li> </ul>
3	<b>Housing</b>	Investors will: <ul style="list-style-type: none"> <li>Provide legacy housing when undertaking large scale development or provide financial contribution to wider housing developments.</li> </ul>	We will: <ul style="list-style-type: none"> <li>Provide financial models to enable investment in housing for investors. This will include investment in Council/ housing association/community models.</li> </ul>



No.	Theme	Commitment from Investors to Highland	Commitment from Highland
4	<b>Supporting Development of Highland Investment Plan</b>	Investors will: <ul style="list-style-type: none"><li>• Provide both direct and indirect support, financial or in kind for council and community led projects impacted by local development.</li></ul>	We will: <ul style="list-style-type: none"><li>• As part of the Highland Investment Plan, we will identify opportunities for investors to engage and contribute to new community Points of Delivery projects, enhancing future developments, delivering longer term community and employment benefits.</li></ul>
5	<b>Shared Investment into Renewables</b>	Investors will: <ul style="list-style-type: none"><li>• Provide the opportunity to participate in an integrated shared ownership model. This approach offers the opportunity to build a truly circular energy system by integrating generation, distribution and supply. The shared ownership model will enhance community involvement and investment while promoting equitable distribution of benefits.</li></ul>	We will: <ul style="list-style-type: none"><li>• Play a crucial role in setting targets for community and locally owned energy, facilitate access to necessary resources and leverage government support and shape guidance of a shared ownership model to encompass offshore renewables.</li><li>• Establish collaborative frameworks to ensure renewable energy projects deliver widespread economic and social benefits, driving sustainable development across the Highlands.</li><li>• Consider appropriate investment in partnership with communities and developers subject to full business cases and financial and legal due diligence.</li></ul>
6	<b>Skills &amp; Training – Workforce for the future</b>	Investors will: <ul style="list-style-type: none"><li>• Adopt Highland’s Employer Charter, which will include commitments to Fair Work and the Living Wage</li><li>• Create or contribute to an Apprenticeship programme</li><li>• Consider supporting initiatives such as the Science Skills Academy, to ensure a sustainable private sector led engagement to future generations in Highland.</li></ul>	We will: <ul style="list-style-type: none"><li>• Create and support an Employer Charter recognition scheme which will include Fair Work commitments and the Living Wage</li></ul>



No.	Theme	Commitment from Investors to Highland	Commitment from Highland
7	<b>Match Funding For Local Projects</b>	Investors will: <ul style="list-style-type: none"><li>• Provide direct support – financial or in kind - for community projects within areas directly impacted by development.</li></ul>	We will: <ul style="list-style-type: none"><li>• Provide a Highland Project Bank, identifying community projects and initiatives to enable funding or match funding to support specific opportunities and providing opportunities to secure additional investment.</li></ul>
8	<b>Fast-track for Grid Connections</b>	Investors will: <ul style="list-style-type: none"><li>• Support a Local Area Energy Planning (LAEP) in the Highlands ensuring enhanced economic opportunities, job creation, and a supportive regulatory environment.</li><li>• LAEPs will facilitate direct collaboration with Scottish &amp; Southern Electric (SSE) to map grid priorities, informing investment plans and saving costs on development. They are crucial for delivering Local Heat and Energy Efficiency Strategies (LHEES) and align with national decarbonisation goals.</li><li>• Support cross sector collaboration to increase the efficiency of projects, including offshore and onshore wind farms pumped storage delivering energy at a national level, locally it will enhance energy security, reliability, and sustainability. These initiatives drive supply chain opportunities, local job creation, and community investment, supporting long-term economic growth and environmental sustainability.</li></ul>	We will: <ul style="list-style-type: none"><li>• Lead on Local Area Energy Planning (LAEP) in the Highlands, collaborating with SSE and other stakeholders to map out grid priorities and inform strategic investment plans.</li><li>• Facilitate a regulatory environment that encourages renewable energy projects while aligning with national decarbonisation goals.</li><li>• Promote local job creation and community investment by supporting innovative projects and fostering links between education and industry to deliver a sustainable highland workforce for the future. Through these actions, we aim to drive long-term economic growth, energy security, and environmental sustainability in the region.</li></ul>

No.	Theme	Commitment from Investors to Highland	Commitment from Highland
9	<b>Maximising socio-economic prosperity through the planning system</b>	<p>Investors will:</p> <ul style="list-style-type: none"> <li>• Set out how they intend to maximise the socio-economic benefits of their development proposals taking into account the Highland Outcome Improvement Plan, the key investment priorities of the Community Planning Partnerships and the Council's Community Wealth Building Strategy and the National Planning Framework 4, particularly in relation to biodiversity and green skills.</li> <li>• Collaborate with other investors and public sector partners to ensure that opportunities are maximised.</li> </ul>	<p>We will:</p> <ul style="list-style-type: none"> <li>• Only support renewable energy proposals where they can demonstrate that they maximise socio-economic benefits.</li> <li>• Provide guidance at pre-application stage on what may be expected from development proposals.</li> <li>• Take into account the community benefit opportunities of a proposal within our consideration of a renewable energy scheme, in line with National Planning Framework 4 and the Scottish Government's Energy Strategy and Just Transition Plan.</li> <li>• Develop Partnership Agreements based on this Charter to highlight the benefits of private and public sectors working together to benefit the Highland economy.</li> <li>• Lobby the Scottish and UK Governments to lay a path for making community benefits a mandatory rather than voluntary transaction, through changes in legislation, guidance and any of the financial support mechanisms available.</li> <li>• Seek to secure socio-economic benefits, including community benefits, through planning conditions and/or agreements as may be appropriate and/or legally competent.</li> </ul>