# Item 1





## **Glasgow City Council**

**Net Zero and Climate Progress Monitoring City Policy Committee** 

Report by George Gillespie, Executive Director of Neighbourhoods, Regeneration & Sustainability

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# UPDATE ON GLASGOW'S COMMUNITY RENEWABLE ENERGY FRAMEWORK

Purpose of Report:
To provide Committee with an update on the development of Glasgow's Community Renewable Energy Framework.

#### Recommendations:

The Committee is asked to:

- 1) Note the contents of this report;
- 2) Note the update on progress to deliver the Community Renewable Energy Framework;
- 3) Note the next steps for the Community Renewable Energy Framework.

Ward No(s):	Citywide: ✓
Local member(s) advised: Yes ☐ No ☐	consulted: Yes □ No □

#### 1. Introduction

- 1.1 Glasgow's <u>Community Renewable Energy Framework</u> (CREF) outlines the Council's package of support for local groups to develop community-led renewable energy projects.
- 1.2 In <u>September 2024</u>, the City Administration Committee approved Glasgow's Community Renewable Energy Framework.
- 1.3 In November 2024, the Contracts and Property Committee authorised the Council to negotiate off-market leases for the 4 sites identified as suitable for the Community Renewable Energy Framework.
- 1.4 Future work on the CREF is split into 2 Phases. Phase 1 focuses on the development of the processes, templates and communication materials required to launch the CREF. Phase 2 focuses on the delivery of the CREF itself and development of community proposals and projects.
- 1.5 This report presents:
  - An update on Phase 1, detailing progress to deliver the Community Renewable Energy Framework.
  - A summary of key considerations for CREF applicants during Phase 2.
  - An outline of CREF Phase 1 & 2 resource considerations.

### 2. Progress to Date

- 2.1.1 Progress has been made in revising the existing PMGC (People Make Glasgow Communities) programme, undertaken by NRS Sustainability with support from PMGC officers. Adaptations have been made to the existing PMGC process and documentation required from communities to fulfil the PMGCr (People Make Glasgow Communities Renewable) requirements. Key elements of this are outlined below.
- 2.1.2 As part of the development of the PMGCr process, it has been confirmed that a Concessionary Lease may be offered on each of the 4 approved sites to improve the viability of any business case. Any concessionary lease would reflect the nature of the community use, in accordance with GCC's Concessionary Rental Policy. The exact nature of the lease arrangements would be confirmed in discussion with interested communities as part of Phase 2 delivery.
- 2.1.3 It has also been confirmed that Glasgow City Council is interested in exploring <a href="Power Purchase Agreements">Power Purchase Agreements</a> (PPA), should the community developing the project seek to do so to improve the viability of any business case. It should be noted that a PPA is not a requirement of any project being developed. Any Power Purchase Agreement with GCC must not exceed the

- current price from the authority's supplier and maintain best value. This would be discussed with interested communities as part of Phase 2 delivery.
- 2.1.4 <u>Heads of Terms</u> are being developed to support the negotiation of a Leasing Agreement and to inform any options for PPA's. This is being led by GCCL.
- 2.2 Local Energy Scotland (LES) is a consortium that administers the Scottish Government's Community and Renewable Energy Scheme (CARES). CARES supports communities across Scotland to engage with, participate in and benefit from the energy transition to net zero emissions. Previous relevant support for community energy projects has included legal support, technical feasibility support, and project management support. Discussion with LES is ongoing to determine the level of support that can be provided to communities through the CARES scheme.
- 2.3 The Scottish Government is currently in the process of tendering for the next CARES contract, which is expected to commence April 2025. Once the contract has been awarded, there will be a mobilisation period and further detail will be shared with GCC by LES on available funding programmes in the next contract. It is expected that future support and funding will be similar to previous offers, however this cannot be guaranteed at this time. Further information is anticipated in April 2025.
- 2.4 Additionally, LES have agreed in principle to support a regular GCC led CREF working group to support Phase 2 delivery of the adapted PMGCr programme. The working group will ensure effective governance for delivery of PMGCr. Sustainability will work with LES and other internal teams to define the structure of the working group and outline roles and responsibilities of members.
- 2.5 **Planning Guidance** will be provided to local groups to obtain planning permission for their project proposal. Planning officers have provided written comments as part of Phase 1 outlining initial considerations for installation of ground mounted solar PV on the 4 sites. Planning Guidance will be shared with the community to support them to develop a business case as part of the PMGCr process.
- 2.6 A dedicated **CREF StoryMap** is being developed to host information on the approved sites, the framework, associated planning guidelines, the PMGCr programme, and associated application documents as they are developed. This StoryMap will be fully accessible to interested communities from the point of launching the CREF in June 2025.

#### 3. Resource Commitments

3.1 The following sections outline key resource requirements associated with the revised and ongoing delivery of CREF Phase 1.

- 3.1.1 Setting up PMGCr processes as part of Phase 1 will require ongoing input from Finance, Property Asset Management, Legal, Property Asset Management, and Corporate Procurement. At this point, input on the following issues is required:
  - Setting up a new template to assess financial viability of business cases. PMGCr proposals will require significantly more capital investment that existing PMGC proposals.
  - Adapting legal agreements required for PMGCr.
  - Adapting approach for long-term monitoring of CREF projects, including monitoring condition of sites.
  - Additional reporting processes need to be considered for the monitoring of the allocation of profits and realisation of community benefits.
- 3.2 GCC will consider, where possible, opportunities to discuss PPAs however these discussions should be initiated by the project developer. Input from Property Asset Management and Legal officers will be required to achieve a clear decision.
- 3.3 Phase 2 will focus on providing direct support to interested communities through the PMGCr process. The PMGC team will lead on the PMCGr process with technical input from Sustainability and LES to support communities through the process.
- 3.4 Due to the current uncertainty on access to LES support, we are unable to confirm their resource availability for this aspect of specialist input into the delivery of Phase 2.

#### 4. Upcoming Activities: Revised Project Milestones

4.1 The following section sets out an updated plan on key milestones for the delivery of Phase 1 of the Community Renewable Energy Framework and launch by the end of June 2025. After the launch event the project enters into Phase 2 delivery, for which a separate project plan will be created. See table 1 below.

CREF	2025 Ti	2025 Timeline						
Phase 1:								
Milestones								
	Jan	Feb	Mar	Apr	May	Jun		
Agree Phase 2 resourcing								
Finalise role of Local Energy Scotland								
Finalise Lease Head of Terms								
Determine interest and viability of PPA								
Finalise PMGCr process and documentation								
Finalise Story Map								
Pre-Launch Community Engagement								
Launch Event								
Initiate Phase 2 Delivery								

Table 1 - Phase 1 CREF Milestones

## 5. Next Steps

- 5.1 The actions outlined in section 4 will be delivered according to the schedule to finalise Phase 1 of the Community Renewable Energy Framework ready for launch by the end of June 2025.
- 5.2 A further report on progress will be brought to this committee in early 2026.

## 6. Policy and Resource Implications

# Resource Implications:

Financial: There are no direct financial implications

arising from the report.

Legal: This report raises no legal issues.

Personnel: The development of the Community

Renewable Energy Framework is

managed within existing resource in the sustainability team with support from wider council through the dedicated working group.

Procurement:

This report raises no procurement issues.

Council Strategic Plan:

Grand Challenge(s) this report aligns with: Reduce poverty and inequality in our communities; Fight the climate emergency in a just transition to a net zero Glasgow; Enable staff to deliver essential services in a sustainable, innovative, and efficient way for our communities.

# Equality and Socio-Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2021-25? Please specify.

What are the potential equality impacts as a result of this report?

Please highlight if the policy/proposal will help address socioeconomic disadvantage.

An Equality Impact Screening Assessment of the framework and policy has been undertaken. The proposal supports the Council's equality outcomes by providing a framework to support Community led Renewables Energy and heat generation in SIMD areas with wider benefits to the whole community such as bringing local stakeholders together to help vulnerable people access support and advice, including energy efficiency measures. The policy framework has the potential to have an even greater positive impact on

have an even greater positive impact on vulnerable groups by building capacity and support in SIMD areas to help alleviate Fuel Poverty, Cold Homes and Health Inequalities in Scotland.

An agreed allocation of any benefits from selling energy from the renewables will be invested back into the local community through a defined community benefits process and/or a community wish list.

### **Climate Impacts:**

Does the proposal support any Climate

The Community Renewable Energy Framework supports Climate Plan Recommendation 59: The Council's business support and planning services Plan actions?
Please specify:

are made available to support community investment in renewable energy, including the Glasgow Community Energy Cooperative. And Action 46: To establish a framework for engagement with local energy cooperatives.

What are the potential climate impacts as a result of this proposal?

Decarbonisation of energy and testing community embedded pathways to our 2030 Net Zero Target.

Will the proposal contribute to Glasgow's net zero carbon target?

Yes, this proposal will positively contribute to Glasgow's net zero carbon target.

# Privacy and Data Protection Impacts:

Are there any potential Data protection impacts as a result of this report

None

If Yes, please confirm that a Data Protection Impact Assessment (DPIA) has been carried out

#### 7. Recommendations

- 7.1 The Committee is asked to:
  - 1) Note the contents of this report;
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  - 3) Note the next steps for the Community Renewable Energy Framework.