

Public Consultation on a draft Interim Policy for Community Benefit Contributions and Community Shared Ownership for Low Carbon/Energy Projects in Oxfordshire

Help shape how renewable energy projects benefit Oxfordshire communities

We are asking for your views on a proposed policy that will guide how communities benefit from new renewable energy projects such as solar farms, wind turbines and battery storage.

As Oxfordshire moves towards cleaner energy, it is important that local people and communities:

- Benefit from development in their area
- Have a say in how funding is used
- Can take part in shared ownership opportunities

Your feedback will help us improve the policy before it is finalised.

The interim policy consultation is divided into three parts:

Part 1: Purpose, draft interim policy statement, and scope

Part 2: A shared approach to CBC and CSO negotiations

Part 3: Key questions on the management and administration of CBC and CSO opportunities

Your responses will help inform revisions and improvements to the draft policy in Parts 1 and 2 prior to adoption and will also help shape the future implementation of CBC and CSO opportunities.

Q1. I am responding to this survey as:

- an Oxfordshire resident
- a representative of a business
- a representative of a group or organisation
- a representative of a community energy group
- a parish or town Councillor
- a district, or county Councillor
- a representative of a developer of low carbon projects
- a landowner / farmer
- Other – please state

Q1a. Please give the name of the business you represent

Q1b. Please give the name of the group/organisation you represent

South Oxfordshire and Vale of White Horse District Councils

Q1c. Please give your name and the parish or town/ward or division you represent

Q2. Prior to reading the details of this project, were you aware of the Government's plan to bring in community benefit contributions and community shared ownership as part of new private, 'for profit' low carbon energy development projects?

- Yes
 No

Policy Statement and Qualifying Projects *(Pages 8-10 of the Consultation document)*

1.1 Policy Statement

Oxfordshire councils expect private, for profit, developers of qualifying low carbon energy infrastructure projects to voluntarily:

- provide a Community Benefit Contribution (CBC); and
- offer opportunities for Community Shared Ownership (CSO), either in part or in full, within their projects.

When the Government introduces mandatory requirements for CBC and CSO schemes, this policy will continue to apply to those projects already within the planning system - likely up to 2030 - that are not captured by the new mandatory regime.

1.2 Qualifying Low Carbon Energy Infrastructure Projects

This policy applies to all private, for profit, low carbon energy infrastructure projects with an installed capacity of 5MW or greater than that:

- are within the planning system (at either local or national level), now or in the future
- are located within Oxfordshire; and
- connect to the electricity distribution or transmission network or via a private wire¹.

Qualifying technologies include (and any combination thereof):

- Ground-mounted solar photovoltaics;
- On-shore wind;
- Energy storage, including battery storage and Long Duration Electricity Storage (LDES);
- Power Carbon Capture Usage and Storage (CCUS); and
- Hydrogen to Power (H2P) and Power to Hydrogen (P2H).

Q3. To what extent do you agree or disagree that paragraphs 1.1 and 1.2 (Policy Statement and Qualifying Projects) set out what you would expect from a policy on CBC and CSO?

- Strongly agree
- Partly agree
- Partly disagree
- Strongly disagree

[Conditional formatting – if partly agree, partly disagree or strongly disagree]

Q3. Please tell us how paragraphs 1.1 and 1.2 could be improved:

We would suggest that terms such as 'Power Carbon Capture Usage and Storage', 'Hydrogen to Power' and 'Power to Hydrogen' are defined.

Project Size Threshold

The Government's working paper identifies projects of 5MW or greater ($\geq 5\text{MW}$) as potentially eligible for a future mandatory scheme. For reasons of project viability and the resourcing required for CBC and CSO negotiations, the preference in this interim policy is to retain the $\geq 5\text{MW}$ threshold.

Q4. Please indicate to what extent you agree or disagree with this proposed threshold?

- Strongly agree
- Partly agree
- Partly disagree
- Strongly disagree

[Conditional formatting – if partly agree, partly disagree or strongly disagree]

Q4. Please explain the reasons for your answer and indicate your preferred threshold:

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Q5. Technology Scope

Does the list of low carbon energy technologies set out in paragraph 1.2 reflect the types of projects you expect to come forward in Oxfordshire up to 2030?

- Yes
- Mostly
- Not much
- No

[Conditional formatting – if mostly, not much or no]

Q5. Please indicate which technologies are missing:

The government consultation included hydro schemes and thermal storage within the list of qualifying technologies – could these be considered? In the future, more schemes like the Sandford hydroelectric plant (acknowledging that this one is under the threshold size) may come forward.

1.3 Scope

This policy is intended as an interim local measure to encourage developers to voluntarily engage in the provision of CBC and CSO, while the Government develops proposals to mandate such approaches in the future.

The policy applies to all private, for profit, low carbon and energy infrastructure projects with installed capacity of 5MW or greater that are located wholly or partly within Oxfordshire. This includes Nationally Significant Infrastructure Projects (NSIPs).

CBC and CSO are defined as follows (and illustrated in Figure 1 below):

- Community Benefit Contributions (CBC): financial contributions made by developers of energy projects to local and, where appropriate, strategic funds, to support community priorities.
- Community Shared Ownership (CSO): a financial stake in an energy project, either through part-ownership of the asset or participation in a revenue stream, which generates income. Any surplus, or Community Shared Ownership Benefit (CSOB) is then reinvested in activities across Oxfordshire to support the energy transition.

1.4 Planning status

CBC and CSO are not material planning considerations.

They are secured through voluntary negotiation under this local policy and are separate from the planning process. Planning decisions will not consider whether, or to what extent, a developer has made a voluntary offer in relation to CBC or CSO.

1.5 Legal Basis

This policy has been developed to align with proposals from the Department for Energy Security and Net Zero (DESNZ) for a future mandatory framework for CBC and CSO.

It also supports local authorities in delivering their statutory duties, strategies, and plans under the following:

- the Local Government Act 1999, section 3 (Best Value), and associated statutory guidance (2024);
- the Climate Change Act 2008;
- the Localism Act 2011, section 1 (General Power of Competence);
- the Public Services (Social Value) Act 2012;
- the Levelling Up and Regeneration Act 2023;
- Government's Clean Power Action Plan 2030; and
- Government's Local Power Plan (February 2026).

Q6. Policy scope and coverage

Do paragraphs 1.3, 1.4 and 1.5 sufficiently describe the scope and extent of the interim policy?

- Yes
- Mostly
- Not much
- No

[Conditional formatting – if mostly, not much or no]

Q6. Please explain your reasons and suggest any additional areas that could be included:

Section 1.3, Figure 1 – we suggest it may be worth acknowledging the income from shares for individuals in the Community Shared Ownership pathway.

Section 1.3 - describes how CSO generates financial returns but does not mention the concept of a comparison with 'standard contributions' which are only mentioned in the Executive Summary.

The document is clear that CBC and CBO are not material planning considerations and must be secured outside of the planning process. However, it would be useful for the document to more clearly explain how this voluntary framework is intended to work alongside emerging local plan policies where they exist, to avoid confusion about expectations. It would be helpful for the document to acknowledge that local planning authorities may be progressing or adopting their own policy approaches to community benefit and shared ownership through local plans, and how this interim policy works alongside plan policies.

It would also be worth considering the links with the Oxfordshire Infrastructure Strategy (OxIS) and the (forthcoming) local area energy plans.

Part 2 (please refer to pages 11– 26 of the Consultation Document for further info)

Q7. Guiding Principles

Overall, do the draft guiding principles (GP-1-7) provide a suitable basis to guide voluntary negotiations on CBC and CSO for commercial low carbon energy projects in Oxfordshire?

- Yes
- Mostly
- Not much
- No

[Conditional formatting – if not much or no]

Q7. What would you change and why?

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[Conditional formatting – if yes or mostly]

Q7. Are there any improvements you would suggest?

Guiding principle 1 – the guidance could set out stronger arguments as to why developers may voluntarily choose to engage with this process, such as supporting communities hosting these developments, sharing the value gained from low carbon energy production, strengthening local acceptance of energy infrastructure, support place based outcomes, and demonstrate responsible development [as set out in Appendix A: Definitions]. In section 2.1, it would be helpful to set out, if they exist, examples of other voluntary county-wide community benefit policies.

Guiding principle 3 – This principle currently talks about a '*Just Transition*' and later on it mentions a '*Just Energy Transition*'. We feel that this terminology is not widely understood and there should be a clear description as to what this means in practice i.e. funds raised should be used to enable communities to adopt low-carbon lifestyles. Therefore, we would support a hierarchy approach, where energy projects are prioritised and the funding focused on allowing local communities to invest in technologies such as heat pumps, solar, retrofitting of buildings, and the installation of EV charge points. The Executive Summary uses different language, referring to a 'fair transition'. Language throughout the document should be consistent. The language used in the Executive Summary should be plain English. In addition, the focus on a just transition may result in competing priorities between using the fund to tackle deprivation and fuel poverty, and prioritising host parishes, wards, and communities most directly affected by the construction – this needs consideration.

Guiding principles 5, 6 and 7 – There are significant resource implications for local authorities that are associated with the implementation of this policy (negotiations, governance and monitoring). Whilst these are not the focus of the current public consultation, they are likely to be material to the Districts' decision to support/adopt the policy. More consideration and guidance will be needed before this is taken to individual authorities to adopt. The implications of local government reorganisation on the district's ability to adopt and implement the policy will also need to be considered.

Guiding principle 6 - states that Existing public, civic or community organisations should be considered as the preferred option for governing and managing CBCs and CSO arrangements. Elsewhere in the document implies Community Energy Groups (which may be new) will be required for delivering community benefit arrangements. The document is further confusing as Appendix A introduces the concept of a 'Community Body' (not mentioned elsewhere). It is not clear throughout that other organisations apart from community energy organisations can manage CBC or CSO. Should the text Community Energy Group be replaced by Community Body across the whole document?

Section 2.3 contains a lot of detail – a summary list of guiding principles at the start of section 2.3 would help with this.

Q8. Flexibility of Guiding Principles

Do any of the descriptions within GP1-7 limit the approach to negotiations in a negative way?

- Yes
- No

[Conditional formatting – if yes]

Q8. Please describe the limitations.

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Q9. Community Representation

If a large energy project (e.g. solar or wind farm) were proposed in your area, which community leaders or representatives should be involved in the negotiations? Please be as specific as possible.

All tiers of local government, including County, District, Town and Parish councils, and community energy groups.

For larger schemes, it may be appropriate for local MPs to be represented.

Q10. CBC Calculation Methodology

Paragraph 2.4 proposes a methodology for calculating CBC based on £/MW installed/year. (Please see appendix D for alternatives considered)

To what extent do you support or oppose this as the preferred approach?

- Fully support
- Somewhat support
- Somewhat oppose
- Strongly oppose

[Conditional formatting – if somewhat oppose or strongly oppose]

Q10. Which alternative option do you prefer and why?

We support this approach for those in-scope technologies that measure outputs in this way however, a different approach may be needed for other in-scope technologies such as power carbon capture etc (see answer to Q11).

In Appendix D, the "£/MW installed per year" option the Indexation is listed as "CPI/RPI (to be agreed)". This uncertainty could be problematic, as the choice between the two has been controversial for areas such as pensions and student loan repayments.

Q11. CBC Tariffs for different technologies

Paragraph 2.5 (page 18 of the consultation document and Appendix B) sets out tariffs for mature technologies, based on current UK guidance for voluntary CBC negotiations.

To what extent do you agree or disagree with the proposed tariffs for ground-mounted solar, wind, and battery storage in Oxfordshire?

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree

[Conditional formatting – if somewhat disagree or strongly disagree]

Q11. What would you change? Please provide reasons and/or supporting evidence.

There are no proposed tariffs for several of the qualifying technologies listed in paragraph 1.2 above, specifically, Power Carbon Capture Usage and Storage (CCUS); Hydrogen to Power (H2P) and Power to Hydrogen (P2H). Tariffs for these technologies should be listed in the policy.

Under 'Co-located schemes' where there are partially co-located developments, there should be support offered to enable developers to coordinate with each other and local communities. Particularly as this is voluntary and adds a level of complexity for both developer and community.

Section 2.5.3 - the battery storage figures appear inconsistent. Minimum development is 5MW equivalent to £1250 per year but minimum payment is listed £5000 – please can you clarify?

Q12. Local and Strategic Fund Priorities

Paragraph 2.6 provides examples of the types of projects that Local and Strategic Funds could invest in.

Please provide your views on the types of projects that the Local and Strategic Funds could invest in.

There should be a clear link between investments in the local and strategic funds and the energy transition, climate adaptation and nature recovery. This section also seems at odds with the statements earlier in the policy, specifically section 2.3.3 which provides guidance that benefits should be targeted at a 'Just Energy Transition'.

Consideration should also be given to revenue support for organisations – particularly as this reflects the regular, unrestricted, and predictable nature of the contributions, rather than one-off requests. This is the most difficult, and yet most valuable type of funding for smaller, community-based organisations.

Q13. Local and Strategic Fund Priorities

Paragraph 2.7 (page 21, in the consultation document) sets out guidance for fund investments.

Please provide your views on the guidance in paragraph 2.7.

Prohibited use of funds should include projects which directly contribute to climate change or habitat loss e.g fossil fuel heating, diesel vehicles, or proposals that have negative impacts on the natural environment.

Communities should have access to independent support (such as Community First Oxfordshire) to help develop CAPs as these may prove difficult depending on number of stakeholders involved in setting these up and conflicts of interest when drawing up priorities – too broad and becomes meaningless.

Who has ultimate ownership of the CAP? Particularly where 'host' or impacted communities are across multiple wards. Potential issues of conflict of interest where owner of CAP may also be a beneficiary.

Section 2.7.2 – Suggest that district council climate action plans should be added to this list. This section could also link to green skills development and Aligning investment with principles and targets in Community Employment Plans and existing skills strategies. This should include OIEP (Oxfordshire Inclusive Economic Partnership) as the Inclusive Employment working group have commissioned research from Oxford University Policy Lab to map green skills, identify skills gaps and identify collaborative approaches to address these. This would strengthen the contribution of the policy to inclusive local economic growth and the transition to a low-carbon economy

We would support use of funds that includes SME engagement and business decarbonisation. In particular, consideration should be given to:

- Supporting local supply chains through voluntary procurement principles
- Allocating a proportion of CBC funding to SME decarbonisation programmes as we know these have proven net zero outcomes and show excellent return on investment.

Q14. Sliding Scale for Fund Distribution

Paragraph 2.8 (page 23 in the consultation document) outlines a preferred sliding scale methodology for apportioning CBC between Local and Strategic Funds.

To what extent do you agree or disagree with this approach?

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree

Q15. Please explain the reasoning for your answer:

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Q16. Unallocated Local Fund Spend

A key challenge for Local Funds is allocating all the annual funding, particularly for large levels of CBC which are paid annually for a minimum of 20 years but could extend to 40 years.

To what extent do you agree or disagree that any unallocated Local Fund in a given year should be transferred to the Strategic Fund to support bigger programmes or projects?

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree

[Conditional formatting – if somewhat disagree or strongly disagree]

Q16. Please explain the reasons for your answer:

We agree with the premise that unallocated local funds should be transferred to the strategic fund, however one year is too short. Projects of all sizes take time to develop and experience from managing other funds suggests that more time should be allocated for projects to come forward under the local fund.

An alternative suggestion to annual application rounds would be to open calls for proposals every 2 years. This would ensure a larger pot of funding is on offer for more meaningful grants. This would also have the advantage of reducing the admin burden.

Q17. Paragraph 2.9 compares CBC and CSO in terms of value/tariffs.

Does this comparison make you more or less inclined to consider CSO as a key opportunity for host communities?

- Yes, more inclined
- Yes, somewhat inclined
- No, somewhat less inclined
- No, not inclined at all

Conditional formatting – if no, somewhat less inclined or no, not inclined at all

Q17. Please explain the reasons for your answer:

We suggest it would be beneficial to add further detail to Example E, to explain briefly yet clearly how the surplus is generated separately from the return paid to individual investors. It would also be useful to clearly say where the fund from the surplus would sit.

It may be more realistic and clearer to use an example (may be fictional) of a commercial energy company building a solar farm who offers a shared ownership option to the local community. The majority of renewable energy schemes in the county are owned and run on a commercial basis, and this is a more realistic comparison for most communities.

Further clarity is needed on what is meant by 'community wealth building'.

Part 3 (please refer to pages 27– 34 of the Consultation Document for further info)

Q18. Roles and responsibilities in CBC and CSO delivery

In paragraph 3.3 (page 28 in the consultation document), we have set out the roles of key stakeholders in the securing and implementation of both CBC and CSO.

Are there any missing roles and responsibilities that should be included?

- Yes
- No

Conditional formatting – if yes

Q18. Please identify any additional roles and responsibilities that should be considered

Administrative Body - it is unclear if the cost for AB is in addition to the cost per MW or included within this.

Based on experience from running district council grant schemes, the policy should clearly set out, within the roles and responsibilities:

- how it will be managed/administered for any proposed projects in the area;
- how the application process will work for each option, CBC or CSO, with any supporting conditions;
- who will be responsible for and how it will be monitored in the future.

Q19. Local Investment Boards (LIBs) membership

The role of the Local Investment Board is set out in 3.3.4 (page 29, in the consultation document)

Please identify any additional organisations or partners that you suggest should be included on LIBs to help guide investment decisions for Local Funds:

The text of the policy includes the provision that - *membership can be extended to include invited partners to support decision-making and strengthen governance*. This already implies that there is flexibility to invite people with suitable expertise onto the LIB. We would however recommend that this ability to invite other partners includes a representative of the Fund Administrator, who would have a much wider overview of the types of project that LIB's can support, and maintain some form of consistency between the way that LIB's are operated.

Q20. Strategic Investment Board (SIB) membership

The role and membership of the Strategic Investment Board is set out in 3.3.7 (page 30, in the consultation document).

Please list any additional organisations or partners that you believe should be included on the SIB to help guide investment decisions for the Strategic Fund:

The Strategic Investment Board will need to contain subject matter experts in the priority areas that the fund expects to be supporting. This is critical to ensure that each potential strategic project gets proper expert scrutiny to ensure that the money is being spent well. This is a model that has been used effectively at the Trust for Oxfordshire's Environment (TOE) for many years.

Q21. Local Community Action Plan (CAP). A draft template for a Local Community Action Plan is in Appendix C, page 40-42, of the consultation document.

What do you see as the key challenges in developing a local CAP?

- Time consuming, with burden of responsibility placed on volunteer community members
- Potential for duplication of existing community action plans; neighborhood plans, parish nature recovery and/or climate action plans - this may impact community appetite for undertaking the process of producing a CAP and risks introducing further complexity and uncertainty into the system.
- Support needed to encourage and enable meaningful resident and community engagement
- Challenges in working across parish boundaries
- Identifying priorities from such a broad list
- Conflict of interest from community representatives who also may be beneficiaries
- Question of overall ownership of the CAP to ensure regular review and relevance
- Challenge of being project focused, therefore missing the opportunity to provide revenue funding for grassroots organisations
- Could restrict communities from being responsive and flexible to emerging needs
- Could reflect the priorities of the parish council rather than wider community

Q22. What do you see as the key opportunities in developing a local CAP?

- Identifying local priorities for funding and encouraging local decision making
- Encouraging community buy-in and support of local low-carbon energy infrastructure

- Enabling significant additional funding for essential local services, particularly for low income and vulnerable households to benefit from clean energy
- Representation from different groups to ensure 'just transition'
- Offering seed funding to develop CAPs – could be used to engage 3rd party support

We would like to explore with OCC the opportunity to capture the community benefit contributions priorities within, or parallel to, the process of producing a Neighbourhood Plan. This process is already well established and aligning the processes would avoid duplication and reduce complexity. Further discussion would be required to understand any legal or other implications for this approach.

Q23. What changes or improvements would you recommend to the CAP template?

- Suggested length of plan
- Recommended review period
- Alignment with neighbourhood planning process to minimise overlap and duplication of effort.

Q24. Community Shared Ownership (CSO) route map

Section 3.4, page 31 of the consultation document, describes the benefits of CSO and sets out a route map to support the growth of CSO in Oxfordshire and the opportunity that private, for-profit low carbon energy projects.

Apart from Local Authorities and Community Energy Groups, who else should be involved in the CSO route map?

Can this section include Oxfordshire-based examples context of what kind of projects/organisations have been funded from existing community energy schemes?

Q25. If you suggested anyone else, what should their indicative roles be?

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Q26. (For Community Groups only)

Please indicate whether your community energy group is interested in developing and managing future generation assets via CSO from private, for-profit low carbon energy projects?

- Yes
- Maybe
- No

Conditional formatting – if yes or maybe

Q26. Please provide the name and contact email for your group:

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Q27. What can your group offer to the CSO route map? (e.g. expertise, local engagement, project delivery experience, financial capability)

/

Q28. Readiness to participate in CSO

Please tick the statement that best describes your organisation:

- Immediately ready to start negotiating and managing CSO
- Requires further support and development before it can commit to CSO negotiations and management
- Requires substantial support before being ready for CSO negotiations and management
- Other (please describe):

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About you

We would like to know more about you so that we can understand more about our customers and residents, as it helps us to know if we are hearing the views of a wide range of people and communities.

If you do not wish to provide any of this information, please select prefer not to say or skip the question as appropriate.

All information given is anonymous and is governed by the UK GDPR and General Data Protection Regulations 2018

Q29. What is your postcode?

OX14 3JE

Q30. What is your age?

- Under 16
- 16 - 24
- 25 - 34
- 35 - 44
- 45 - 54
- 55 - 64
- 65 – 74
- 75 - 84
- 85 or over
- Prefer not to say

Q31. What is your sex?

- Female
- Male
- Prefer not to say
- I use another term (please state here)

Q31. What is your ethnic group or background?

- Asian or Asian British (Indian, Pakistani, Bangladeshi or any other Asian background)
- Black or Black British (Caribbean, African, or any other Black background)
- Chinese
- Mixed or multiple ethnic groups (White and Black Caribbean, White and Black African, White and Asian, and any other mixed background)
- White (British, Irish, or any other white background)
- Prefer not to say
- Other ethnic group or background (please specify)

Q33. Would you like to find out more about what's happening in Oxfordshire?

We'd like to invite you to receive email updates on news, events and developments across Oxfordshire and opportunities to have your say.

The email contact details you provide will be separated from the feedback you have shared in this survey.

Would you like to sign up to any of the following?
(Please tick all that apply)

- Your Oxfordshire – our residents e-newsletter
- Consultations e-newsletter - with opportunities to have your say and updates on our response to residents' feedback
- Updates specifically about this consultation.
- No thanks

If you'd like to sign up, please provide your email address below: (make this question a conditional formatting question which is mandatory if any of the check boxes above are ticked)
Thank you for taking the time to answer these questions