

## SUBMISSION BY THE MERIDIAN ACTION GROUP

REGISTRATION IDENTIFICATION NUMBER: [REDACTED] -

### MAG COMMENT ON Meridian's Community Benefit Fund Offer

How do we put a price on the disruption to our community? Distress, inconvenience, wellbeing and the effects on people's daily lives are difficult to quantify. However, if the proposed Community Benefit Fund (CBF) is intended to recognise the impact that this development will have on the communities hosting it, the level of funding should properly reflect that impact.

#### Level of Community Benefit

As a starting point, we should consider the Government's emerging guidance and benchmarks, alongside the level of community benefit already being provided by another renewable energy development within our community.

Meridian's proposed CBF of **£667/MW/year** appears low when compared with the figures being discussed at Government level. The Government has used **£1,000/MW/year as an illustrative benchmark**, while Scotland's proposed range for solar developments is understood to be approximately **£700–£1,000/MW/year**.

On that basis, Meridian's proposed figure falls short of the £1,000/MW/year benchmark by approximately **£333/MW/year**. Across the full generating capacity of the proposed development and its operational lifetime, this represents a substantial difference in the benefit returned to the host communities.

There is also an existing wind farm within our community that provides approximately **£2,000/MW/year**. If Meridian were to match that level, the CBF would be significantly greater over the operational lifetime of the development.

Furthermore, the **£5,000/MW/year figure referred to by the Department for Energy Security and Net Zero**, if applicable to this development, would result in a substantially greater community benefit over the operational period.

These comparisons demonstrate why the proposed Meridian figure should not simply be regarded as an acceptable minimum. The community should receive a meaningful and proportionate benefit from hosting a development of this scale.

#### Payments Should Not Depend on Electricity Output

The CBF should be based on the **installed generating capacity of the development**, rather than being linked to the amount of electricity actually generated.

The impact on the community does not disappear when generation is lower. The roads, infrastructure, visual impact, construction activity, land use and other effects

remain regardless of whether the sun is shining or how much electricity is being generated.

A fixed annual payment based on installed capacity would therefore provide communities with certainty and would ensure that the level of community benefit is not reduced because of factors outside the community's control.

### **Community Benefit Should Begin Before Commissioning**

It is also unfair for community benefit payments to begin only once the development has been commissioned.

The disruption to the community does not begin on the day electricity generation starts. It begins during the preparatory and construction phases, when the impact on local residents and communities may be at its greatest.

Construction traffic, noise, disruption to roads and infrastructure, visual disturbance and other impacts will affect the community before the development generates a single unit of electricity. Decommissioning will also create a further period of disruption.

The CBF arrangements should therefore recognise the impacts experienced throughout the development lifecycle, rather than treating the operational period as the only period in which the community is entitled to benefit.

### **Certainty and Consistency**

Across the relevant parishes and communities in proximity to the Scheme, payments should be made on a **consistent annual basis**.

Communities need certainty about the funding available to them so that they can plan projects responsibly and over the long term. A flexible or discretionary approach could disproportionately disadvantage smaller communities, which may lack the resources to absorb uncertainty in funding.

The CBF should therefore establish:

- a clearly defined annual payment;
- a transparent formula for calculating that payment;
- certainty over the duration of the payments;
- clear arrangements for distributing the fund between affected communities; and
- appropriate arrangements for payments during construction and decommissioning.

## Capital Projects

One-off capital projects could be supported from the CBF where they are specifically agreed with the relevant community.

However, such projects should be funded from a **clearly defined proportion of the CBF**. Applications for capital funding should not reduce the overall value of the annual community benefit available to communities.

The purpose of a capital-project element should be to provide additional opportunities for communities to invest in their future, rather than allowing individual projects to substitute for the underlying annual commitment.

## The CBF Should Be Clearly Defined

The fact that other solar developments may have proceeded without a CBF being attached to their Development Consent Order (DCO) does not mean that a clear CBF cannot be established for this Scheme.

Indeed, incorporating clear parameters would provide certainty for **both the developer and the communities**.

Leaving the CBF arrangements broadly defined gives too much scope for uncertainty and future disagreement. The fundamental parameters should be established from the outset, including:

- the amount payable;
- the basis on which it is calculated;
- when payments begin;
- how long payments continue;
- how the fund is divided between affected communities;
- how capital projects are treated; and
- safeguards preventing the fund from being used for purposes outside its intended community-benefit function.

## The Fund Must Provide Additional Community Benefit

The CBF must provide genuine additional benefit to the communities affected by the development.

It should **not be used to remedy damage caused by construction**, nor should it be used to fund services or projects that are already the responsibility of the local authority or otherwise already accounted for through existing public funding.

The purpose of the CBF should be to provide additional investment that enhances the affected communities and improves their long-term wellbeing.

It should also be distributed fairly between the affected communities, ensuring that smaller communities are not disadvantaged and that the benefits are proportionate to the communities hosting and experiencing the impacts of the Scheme.

## **Conclusion**

The Community Benefit Fund should be regarded as a fundamental part of the relationship between the developer and the communities hosting the development.

While the financial contribution may not be considered "material" to the developer in the context of the overall cost or value of the Scheme, it is **material to the communities that will experience its impacts**.

The community is being asked to accommodate a development that will have consequences extending well beyond its operational lifetime. The CBF should therefore be sufficiently robust, transparent and certain to provide a meaningful and lasting benefit.

Meridian should reconsider its proposed **£667/MW/year** contribution and establish a substantially more appropriate level of community benefit, based on the emerging Government benchmarks and the benefits already being provided by other renewable developments within the community.

Most importantly, the arrangements should be clearly defined from the outset, with payments based on installed capacity, certainty over annual funding, appropriate provision during periods of construction and decommissioning, and safeguards ensuring that the fund delivers genuine additional benefits to the affected communities.

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Note: AI was used only in background research for this submission t