

Scotland's clean energy revolution must be community-centred

There is little doubt that Scotland is shouldering the weight of renewable energy developments within the UK. Communities, particularly in the more rural areas of the Highlands, Moray, Aberdeenshire, Argyll and the south of Scotland are bearing the brunt of this.

Yet these communities are often seeing failing public transport and other services, closing schools, the grim reality of the housing crisis and some of the highest energy costs.

Within this context, recent opposition to renewable developments in the Highlands reached a head when 53 community councils held a meeting in Inverness in August to raise their concerns.

It's important to properly acknowledge why these developments are happening. There is a critical need to decarbonise our economy in the face of the climate emergency. Expanding renewable energy generation and transmission (via the National Grid) is a vital way of helping achieve this. But this is not an excuse for business-as-usual economics, which sees decision making, wealth and power concentrated in the hands of corporations and large landowners rather than shared with local people.

Recent research by Future Economy Scotland and Common Wealth has shown the extent of corporate capture of the offshore ScotWind developments in Scotland, with 78% of ScotWind capacity owned by parent companies headquartered outside the UK.¹ Foreign state-owned firms own 12% of total ScotWind capacity – including the governments of Ireland, Sweden and Denmark. As Future Economy Scotland have argued, ScotWind profits will support public spending abroad, but not in Scotland. Off-shore wind is an emerging sector, which has an opportunity to be financially viable and socially just. It's time to start thinking about how the ScotWind income could be used to drive community wealth building within Scotland.

Onshore wind in Scotland led the way in agreeing good practice on community benefits, including a voluntary benchmark figure for payments to local community funds. However, given the increasing volume of developments and concern from communities, the existing community benefit framework is no longer fit for purpose.

A refresh of this framework is desperately needed to ensure that on-shore developments are meaningfully driving local rural development to the extent that they should. Too often opportunities to host on-shore projects are in the hands of

¹ [Scotwind | Future Economy Scotland](#)

the small number of private landowners who own much of Scotland, with the possible returns from renewable projects driving land prices to ridiculous levels as with the case of Griffin Forestry Estate selling for £145 million. Similarly, the development of these projects and the associated transmission network sit with a relatively small handful of corporations whose contributions to revitalising the areas in which they operate needs to be made much clearer.

It's important to note that this is not an issue restricted to renewable energy developments, although their scale and quantity of investment make them the most prominent. Other industries which result in significant land use change, such as forestry, have been captured by large corporate entities and are also failing to deliver local benefit and significantly increase local rural development at a proportionate level to their activities and profit generation.

In this context, resistance to the wave of wind farms, pumped hydro, pylons, substations and battery storage (to name the most prominent forms of renewable energy developments) is perhaps not surprising. When you take a step back and look at both the cumulative impact of developments, the lived experience of local communities in these areas and the extractive economic system which underlies these developments you can understand the concerns.

However, there is a solution to this tension between the need for green electricity and community resistance to the current scale of development, and it lies with ownership. There needs to be considerably more community ownership of these developments. Research has shown that in Scotland, 64% of people would support a community-owned energy development in their area, but only 40% of people support a private development (although this data may well now be even more stark considering recent developments). This could be due to the fact that on average community-owned turbines generate 34 times more income for local communities than privately-owned ones. Or it could be that community owned turbines mean a devolution of power, with local people making decisions that work for their local area, whilst contributing to a wider transformation of our energy system.

The community energy sector contributed £25m to local economies across the UK last year ([SOTS report](#)). According to Community Power Outer Hebrides the 6 biggest generators in the Western Isles generate £3m of net income/year, which is all reinvested locally. These are examples of community wealth building in action. National priorities being met by local communities who are reaping the local economic benefit and putting their renewables returns into local services and projects such as affordable housing, community buses or bike hire schemes, providing office space and business hubs, building schools and even infrastructure

projects like harbour redevelopment or a base for the mountain rescue service such as Horshader Community Development Trust in Lewis.

The importance of community ownership of renewables is why the Scottish Community Coalition on Energy (SCCE) came together at the start of 2024 to collectively advocate for our community-owned energy sector. We need to see a dramatic increase in community-owned renewable energy to 1GW by 2030 (it currently sits at 110MW). The cumulative income from the proposed 1,000MW of community energy would be two and a half times greater than the community benefit payments from all the onshore wind farms operating in Scotland today. Achieving 1GW would be economically and socially transformative for the green economy in Scotland.

The SCCE have also recognised that communities across Scotland are shouldering the burden of higher bills whilst seeing few benefits from Scotland hosting such a scale of renewable energy development. This has led to the proposal for a Scottish Community Wealth Fund, which would sit alongside local community benefit arrangements for communities hosting developments, and would take additional contributions from developments to be used in a strategic national fund. This Fund would seed fund revenue-generating community ownership projects around the country. This would enable communities in areas not currently eligible for community benefit payments, but who may well still be dealing with the lingering impacts of deindustrialisation, to have a stake in the renewables revolution and secure long-term income for their local area to meet whatever needs their local community may have.

We need a just transition to Net Zero that actually delivers just outcomes for local people. This means expanding community ownership, enhancing local community benefit arrangements and the establishment of an independent national fund for communities so that everyone in Scotland can be part of the energy transition.

The simplistic depiction of renewables vs communities is a fallacy. Moreover, it has the potential to be dangerous if this debate is co-opted by politicians who are looking to sow division and draw attention away from the structural failings of our economic system. We cannot allow regressive politics to undermine opportunities for a more equitable economic system, nor damage our drive to decarbonise the economy. Politicians and developers must accept that communities must receive more to secure the future of renewable energy in Scotland.

The debate about current renewables development comes down to how we want our economy to work: should it continue as an extractive, corporate-led economy, or should we make it work for normal people? We need to decarbonise our economy and find more sustainable ways of producing energy. We also need to

develop our local economies, strengthen community agency and reduce glaring inequality. Community-owned energy is an established model which can help achieve all of this.