CARES: Community and Renewable Energy Scheme

Energy Justice POINTs case study

February 2022

CARES

CARES is the Scottish Government's Community and Renewable Energy Scheme and is managed by Local Energy Scotland. Our goal is that communities across Scotland are engaging, participating and benefiting in the energy transition to net zero.

Through CARES we provide free, independent advice and support to help communities, social enterprises, rural businesses and others to install or benefit from local renewable energy projects. A suite of finance and funding options are also available to projects through the scheme.

Energy Saving Trust and a consortium of charitable organisations, operating under the Scottish Government brand Local Energy Scotland, have a contract to manage CARES until the end of March 2025. The Scottish Government have decision-making control over the scheme.

CARES takes strategic direction from relevant Scottish Government policy including the Scottish Energy Strategy, Local Energy Policy Statement and the Heat in Buildings Strategy.

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The Energy Justice POINTs Framework

Energy Justice POINTs (Policy Overview and Impacts for Net-zero Transitions) provides a useful and usable framework to help decision makers explore the wide-reaching energy justice implications of their net-zero visions, strategies, and policies.
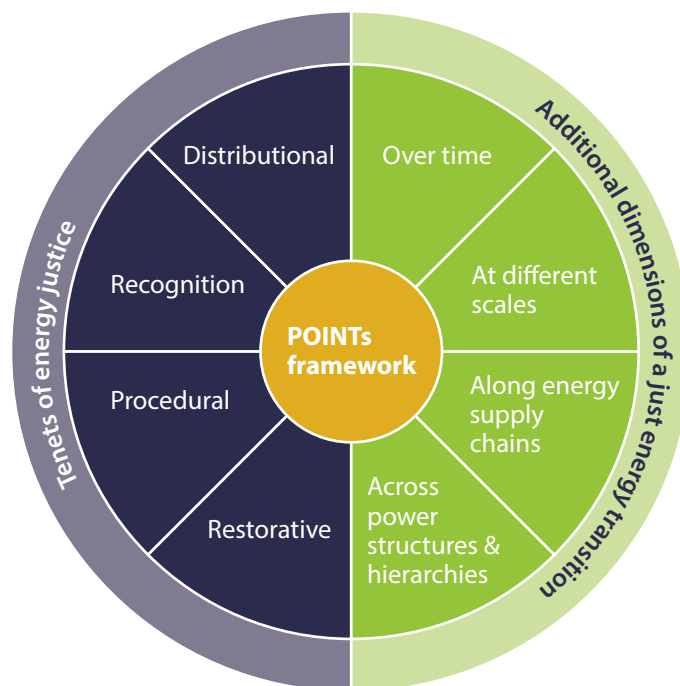
The Framework is based on four tenets of justice:

- **Distributional** – where injustices lie
- **Recognition** – who is affected
- **Procedural** – how injustices can be overcome
- **Restorative** – what we can do to rectify past injustices and mitigate against future injustices

It also includes an additional four dimensions to take a whole-systems approach to a just transition.

The development of the POINTs Framework is outlined in our report Energy Justice POINTs: Policies to create a more sustainable & fairer future for all which was published in May 2021.

The POINTs Framework has been tested by the CARES team at Local Energy Scotland and their response is provided here as a guide for other organisations in completing the Framework and in considering the energy justice implications of their own net-zero policies or proposals.

POINTs Framework

	Distribution	
1	What are the primary benefits? Are there any second order benefits? For example, policies supporting greenhouse gas emissions reductions in cities could have health benefits due to reduced air pollution; economic benefits due to reduced hospitalisation; and wider social and environmental benefits due to reductions in carbon emissions in line with targets for climate action.	The primary benefits from CARES are: • Carbon reduction • Greener energy supply • Reduced demand on the national energy grid • Reducing running costs e.g. for community buildings, rural businesses Secondary benefits may include: • Social benefits – community capacity building • Fuel poverty reduction • Local employment opportunities • Skills development • Our indoor and outdoor spaces are filled with cleaner air • Community resilience and empowerment • Community ownership • Energy solutions tailored to place
2	Who are the intended beneficiaries? This could focus on particular groups defined by geography (e.g., those in a particular region), or socio-demographics (e.g., those living in social housing, those who travel on public transport, those in fuel poverty etc.).	• Communities across Scotland • Rural SMEs • Disadvantaged groups • Minority ethnic groups • Remote/ rural areas • Future generations
3	Are there structural reasons why certain groups may be unintentionally excluded or marginalised? For example, gender-neutral policies could have gendered impacts due to unaccounted for differences in working or travel patterns by men and women.	The Close the Gap report (2016) – highlighted the gender gap in the community energy sector. We also expect that some disadvantaged groups and minority ethnic groups have not taken up the services offered through CARES in the past. Through our Equalities Charter we are making attempts to address this. The Heat in Buildings Strategy Equalities Impact Assessment states that some age groups and incomes may not be familiar with or have limited access to the internet thereby reducing engagement, awareness and access to these benefits. In many cases the prohibitive cost (installation, upkeep and running costs of low and zero emissions heating and renewable energy systems due to lower income levels) can be associated with protected characteristics such as disability, gender, paternity and maternity, race and religion.

	Distribution	
4	What are the costs (economic and beyond), who is bearing them, and how are these costs distributed? Explore potential unintended consequences that may result in additional unforeseen impacts, including financial consequences for future generations.	Funding for CARES comes from the Scottish Government, therefore taxpayers are all contributing to the scheme. It is possible groups that are well resourced in terms of human capacity to put in applications may do better out of our funding rounds than those that don't have as much capacity. In the past rural areas have taken advantage of CARES opportunities more often, however this is changing and we are seeing more applications from urban areas.

	Recognition	
5	Who does this policy serve? Is it based on the dominant cultural groups (often aligned with white male identity) or are different groups explicitly considered?	CARES is intended to serve all Scottish communities, however some groups may be unintentionally excluded. The Heat in Buildings Strategy EQIA states that: "Evidence suggests that the following groups may be more impacted than others: • Those in or at risk of fuel poverty • Those with lower incomes and lower wealth • Tenants • Those in comparatively disadvantaged or deprived areas • Those in hard to treat properties or in remote and rural areas which may have a more restricted technology choice. Further, it is possible that impacts may be varied and potentially more acute based on protected characteristics". We have been explicitly considering the needs of ethnic minority groups by adapting our funding criteria, ensuring greater promotion of faith building case studies and targeting funding rounds to make it easier for ethnic minority groups to apply.
6	Are there any groups of people who are either not recognised or misrepresented in the future scenario/ society this policy aims to deliver? This could be unintentional due to replication of historical bias in how different groups of people with different identities are accounted for.	The community energy sector has had difficulty engaging with and assisting certain minority groups mentioned above and with much of the support being accessed by rural areas. We are working to change this by ensuring that we have funding rounds that are targeted at urban areas and are relevant to under-represented groups.

	Recognition	
7	Does the policy value all members of society in an explicit rather than an assumed way? Implicit recognition can suffer from hidden forms of bias, so it's important to articulate how the policy ensures that all members of society are valued and treated fairly.	As mentioned above we are working towards being more inclusive and specifically targeting under-represented groups. We have an equalities charter, which aims to address existing inequalities. The CARES Equalities Charter sets out to regularly engage with group representatives of minorities, the vulnerable and disengaged to consider how CARES may continuously improve its Equalities charter and work better to support these groups.
8	How does the policy level the playing field in terms of access to energy services or benefits for those people who may suffer injustice in the current system?	The CARES programme aims to make community owned energy more widely accessible to groups that otherwise would not have had access to it. Those who do access the programme can, in certain circumstances, benefit financially through reduced running costs (e.g. lower energy bills for their community building) or perhaps as a result of income generated through a shared ownership project or community benefits. Such income is usually distributed throughout the community for local projects, apprenticeships etc. enabling communities to benefit from their local renewable energy resource, as well as helping to foster better relationships with the renewables sector. CARES also enables a community wide approach rather than an individual profit model, which is a more social and just model as profits and benefits are retained locally for community organisations with social aims and objectives.

	Procedural	
9	What channels have been employed to provide stakeholders with input to decision-making processes? Are these channels appropriate for all stakeholders? Have a range of channels been implemented to increase participation? For instance online consultations may be inappropriate for older people, while 'roundtables' may be inaccessible to those who work during the day or have caring responsibilities.	We held workshops with representatives of ethnic minority groups. These highlighted specific barriers to such groups accessing our funding in terms of eligibility criteria and building use. We were then able to remove the barriers and have since seen an uptake of the CARES support from ethnic minority groups. We also seek feedback in a number of ways and look at the responses in designing CARES support. This has included online stakeholder questionnaires and interviews and online customer satisfaction surveys. At a more strategic level the Scottish Government sets the direction of CARES support through wider, overarching policies and Good Practice Principles. There are usually opportunities to feed into these consultations either in person or through an online form.
10	Which stakeholders have been actively engaged? Are there biases toward particular groups due to the engagement channels used?	We have actively sought feedback from organisations such as CEMVO, DTAS, Universities, contractors, distribution network operators, community organisations, Scottish Renewables, Community Energy Scotland and local authorities. We regularly engage with third sector organisations and interfaces / Scottish government programmes / community planning contacts to promote our services this is done through newsletters, emails, social media, onlines workshops / webinars. In the past we have attended more face-to-face events, but not at the moment. There has been a bias towards online engagement over the last year and a half due to Covid. This may put off some people, however being online does help us to have a wider reach in some instances, for example in very remote / rural areas people are less likely to travel for an in-person meeting or conference.

		Procedural	
11	Are there any groups who have been systematically (if unintentionally) shut out due to the processes implemented?	Those who are not online may have missed out over the last year and a half, however generally we are trying to get hold of a group rather than a person and it is likely that someone in the group will have online access. One exception may be rural SMEs, so we work with NFUS and trade/ umbrella organisations to promote any funding rounds that are specifically targeted towards rural SMEs.	
12	How has stakeholder input been accounted for in the decision-making processes and resultant policies? Are some voices given priority for deliberate or unintentional reasons? Is this bias (if deliberate) transparent? If unintentional, what action can be taken to remove the bias?	Following on from our work engaging with ethnic minority groups and identifying this as an under-represented area, we launched a funding call at the end of 2020 which was deliberately targeted at community buildings in urban areas. We specifically linked to case studies of ethnic minority buildings and our webinars about the funding round featured spokespeople from these buildings. We also targeted communications about the fund to ethnic minority groups, faith groups and umbrella/ support organisations. A secondary factor in this decision was to address the balance of our mostly rural portfolio of projects with more urban projects.	

		Restorative	
13	Which stakeholders or parts of society experience injustice in current policy or practice arrangements? Why is this the case? Are there underlying issues (e.g., social, political, economic etc.) that have created this past injustice?	Historically urban groups, ethnic minority groups and socio-economically disadvantaged groups have received less CARES support. This could be for a number of reasons, including: • Scheme eligibility criteria • Lack of space to site renewable technologies • Lack of capacity to complete application forms/ develop renewable projects • Lack of awareness of CARES support • Technical language and jargon puts people off	

		Restorative
14	How might these groups be affected by new policies in process and outcomes? Through what mechanisms is past injustice being addressed?	As noted in Q12 above, we have been trying to address this balance and shift it. We are more active in our promotion of our services and funding to these groups. We are also now engaging more with third sector interfaces and community planning partnerships, that are likely to have a wider reach into communities and more able to help raise awareness with disadvantaged groups. We also now make sure to talk about the hand-holding support CARES provides through the local development officers. This can be reassuring to groups that are new to renewable energy projects and is key to the accessibility and reach of CARES in local areas.
15	Have these groups been engaged in this restorative process?	Yes, we specifically held workshops with ethnic minority groups and regularly engage with support organisations such as CEMVO. A similar process may be advantageous in helping us to engage with disadvantaged groups.
16	Can this policy/ proposal alleviate previous landscape degradation or community erosion?	Yes, the changes we have made have encouraged more applications from urban, ethnic minority groups. Working on community renewables projects can help to create community networks and build community capacity. It can also help communities to develop new skills and increase confidence to take on other projects.
17	Could the new policy create future unintended consequences?	The scheme is open to all eligible organisations and we are trying to extend our reach into communities as far as possible. There may still be some that miss out on the opportunity to access this support from the Scottish Government. It's also possible that intervention rates of grants may vary in the future, however it's impossible to say if the intervention rates will go up or down and so it's better for the groups to act at the right time for them than to wait for a potentially better deal. As a consequence there may be some groups that feel that they missed out.

	Geographic scales	
18	What are the opportunities for reducing regional disparities (Levelling Up)?	As previously mentioned, historically CARES support has been to rural areas. Our funding package is now more relevant to urban areas and to disadvantaged areas, so there is an opportunity for reducing the regional disparities that there have been in the past. It is also worth noting that historically we had a very low number of projects in southern Scotland, anecdotal evidence suggests that this may, in part, be due to the scars left in communities from previous energy industries (e.g. mining). However, we are now getting more applications from these areas, particularly for solar PV projects. It could be that these types of projects are more visually acceptable and also easier for communities to manage.
19	Could the policies / practices have adverse affects on those outside of the community of interest? What can be done to mitigate against this?	There will usually be some form of common good fund / community benefits from a renewable energy project, whether community or commercially owned. This helps to spread the benefits of the project to the wider community. Not all communities have equal access to such funds, for example there are fewer opportunities for urban projects to invest in renewables, however some regional community benefit funds do operate to attempt to mitigate this.
20	What are the opportunities for reducing socioeconomic disparities within communities?	Local Energy Scotland could play a more active role in seeking out communities that have missed out in the past. For example those on low income, in fuel poverty, child poverty or those areas ranked highest in the Scottish Index of Multiple Deprivation (SIMD areas).
21	Is place based decision making taking into account all available evidence?	The Local Energy Policy Statement (LEPS) encourages use of the Place Principle and a place based approach. We would encourage applicants to CARES to uphold the LEPS principles to reflect local characteristics and focus on collaborative strategic approaches and partnership working. This should help projects to take place-based decision making into account.

Politics, power, decision making hierarchies

22	How are stakeholders from citizens and communities to large organisations and elites influencing policy, research, and data? What strategies are in place to ensure that no one voice has undue influence?	As mentioned in Q9/10, we encourage feedback on the CARES programme from our stakeholders and the communities and organisations that we work with. The feedback provided influences the design and delivery of the programme.
23	How might the proposed policy/ strategy impact this diversity of stakeholders? Might there be negative impacts to incumbents that needs to be managed?	The diversity of CARES stakeholders is likely to increase.
24	What are the opportunities for greater inclusivity in decision-making / ownership / local trading & business models? How will the policy/strategy diversify power structures?	CARES encourages local ownership of renewable energy, therefore helping to put the decision making/ ownership in the hands of local people. We ask our recipients to uphold the principles of our equalities charter to help ensure an inclusive approach.
25	How are different values held by different actors accounted for and how are trade-offs made? And how are decisions being held to account by and for these stakeholder groups? And how are these processed being legitimised?	The Scottish Government is the ultimate decision maker for the CARES programme.

Global supply chains

26	What are the whole life-cycle implications and impacts?	The renewable energy technologies will be in place for around 20–25 years. We provide advice on use of refurbished wind turbines instead of buying new. The legacy from the project (e.g. income generated / projects funded) may well last even longer than the technology.
27	What impacts might be felt by businesses or communities along the supply chain? Might there be negative unintended consequences?	There is a general awareness of unethical practices in the production of renewable energy technologies, however we are unaware of the supply chains of every CARES supported project.
28	How are businesses and communities along the supply chain being engaged? Are they being exploited or is there a way to give them voice?	As above

Global supply chains

29	How can social inequities along the supply chain be mitigated, for example, by altering procurement frameworks to account for fair trade / environmental degradation, and embed this within existing frameworks?	It may be possible to encourage/ require the projects that we support to request fair trade/ environmental standards in their procurement.

Temporal aspects

30	Is the policy / practice proactive in seeking long-term benefits?	Yes. Helping communities to engage in, participate in and benefit from the energy transition to net zero has the purpose of seeking long-term benefits.
31	Who / what could be adversely impacted by the policy / practice over time and how?	If the financial benefits from the projects are not well managed / promoted / shared then they will have limited impact.
32	Will the policies / practices adversely impact future generations? For instance through cost burdens; erosion of landscape or lock-in to a particular trajectory (e.g. hydrogen boilers)?	Locally owned projects are likely to be of a scale that will not be detrimental to the landscape or lock in particular trajectories. There may be issues with the end of life of the technologies creating a waste stream. If loans used to facilitate capital for a project are not managed carefully they risk being burdensome to community groups.
33	What measures could be put in place to mitigate against future generations being unfairly burdened by polices and decisions taken today?	The local energy sector may be able to learn lessons from the commercial sector. There may be repowering opportunities in the future. Some companies are investigating the re-use of technologies (e.g. wind turbine parts for playparks).

About ALIGN

This case study forms part of Project ALIGN (**AL**igning **I**mpacts for **G**etting to **N**et-zero) which was one of five unique Fellowships funded by UKRI, to support engagement with the international climate negotiations in the run up to the 26th Conference of the Parties of the UN Framework Convention on Climate Change (COP26) through the provision, synthesis, translation and interpretation of scientific evidence.

ALIGN aimed to provide evidence around the multiple benefits of a just net-zero energy transition. Appropriate climate change actions offer the potential for delivering multiple benefits (e.g. post-pandemic economic recovery, advancing UN sustainable development goals, enhancing political currency and social legitimacy). However, without a comprehensive approach or framework for considering the multiple benefits or impacts of transition, existing injustices could be amplified, and new vulnerabilities created in the wider economy.

ALIGN was innovative in bringing together insights and evidence from areas traditionally siloed, aligning the case for a just transition with financial, environmental, and other outcomes, and feeding into wider decision-making frameworks (e.g. at UNFCCC level). It built on aligned work, and focused on Scotland as an exemplar for delivering a socially just net-zero transition, while providing frameworks and evidence to make the case for the multiple benefits (e.g. resilience, prosperity, health, etc.) of a just net-zero transition in other countries, accelerating COP 26 outcomes.

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