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**Electricity Transmission Network Acceleration Team  
Department for Energy Security and Net Zero**

Citizens Advice welcomes the opportunity to respond to the consultation on community benefits for electricity transmission network infrastructure. We are responding as part of our statutory role to represent energy consumers in Great Britain, and have answered questions most relevant to our role.

To outline our main positions:

- We believe that community benefits should not be voluntary. They should instead be mandated and hard coded, whilst allowing for flexibility about what form benefits take.
- There should be mandatory minimum levels of payments for community benefits, to ensure that less engaged communities do not experience worse outcomes within this process.
- It is fair for community benefits to be paid for via consumer bills, as network infrastructure will benefit national consumers in the long-term through the benefits of cheaper renewable energy. However, there needs to be an agreed and consistent approach to allocating funding to ensure a fair trade-off between local and national interests.
- More clarity is needed on how this consultation should interact with the planning process. We believe that benefits should not be employed to influence community consent, as this could result in unfair outcomes for communities less likely to engage. Setting the available pot for community benefits at a fixed level should mitigate against this outcome.

- 1. What are your views on how community support for electricity transmission network can be improved? This includes any electricity transmission network infrastructure developed by Transmission Operators and developers within scope of these proposals. We would welcome supporting evidence if available.**

Community support for electricity transmission network upgrades could be improved through developing stronger community engagement frameworks.

In its good practice guide for community engagement and benefits for onshore wind in England, the Centre for Sustainable Energy outlines recommendations for developers, including engaging with communities early in the process, communicating the benefits of developments and establishing multiple entry points to ensure a wide reach during engagement.<sup>1</sup> Additionally, research by Citizens Advice Scotland helped to develop principles for successful engagement, which include the need to be inclusive, accessible and representative, tailor engagement methods to individual communities and establish communities' trust and confidence in engagement programmes.<sup>2</sup> These recommendations should be used as a basis for the development of mandatory community engagement guidance to be used in onshore transmission infrastructure development.

However, this consultation is lacking clarity on how and whether community benefits could be used to change people's minds on hosting infrastructure. It is our view that they should not be used as a bargaining tool, as this could result in poorer outcomes for less engaged communities (who may be more likely to be disadvantaged or in vulnerable circumstances compared to more engaged groups). Instead, mitigations to projects that accommodate community concerns should be built into the engagement process, and benefits should be set according to a defined approach that takes into account a range of factors (such as the detriment to the community, the size of the project and the cost of alternatives) that balance the needs of wider society and local communities.

## **2. Do you agree with the proposed types of infrastructure and projects we would include in these proposals? Please explain why.**

We agree with the proposed focus on the electricity transmission network, including the onshore infrastructure associated with offshore wind and interconnectors, due to its scale and impact on meeting low-carbon generation targets and reducing electricity consumer costs. Additionally, as seen in local objections to the onshore infrastructure

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<sup>1</sup> Centre for Sustainable Energy, [Community Engagement and Benefits for Onshore Wind in England](#), December 2021

<sup>2</sup> Citizens Advice Scotland, [Engaging hearts and minds: A study into conducting successful engagement to deliver positive outcomes for communities and organisations](#), January 2020

association with offshore wind farms East Anglia One North and East Anglia Two, these projects can be hugely impactful and disruptive to local communities.

More clarity is needed on whether grid-connected non-generation assets (such as storage) are also in scope.

**3. What are your views on government's preferred approach of a voluntary benefit scheme underpinned by government guidance (covering both wider and direct community benefits)? Please explain why and provide any supporting evidence if available.**

We would like to see community benefits hard-coded into transmission infrastructure projects and offered on a mandatory, rather than voluntary, basis. We believe that this is the best way to ensure fairness, as it is likely that under a voluntary scheme that more engaged communities could advocate for higher payments than less engaged groups.

However, we do believe that flexibility should be built into the scheme to allow communities to best decide where money should be spent to benefit them, especially disadvantaged members of the community.

**4. What are your views on the information we have proposed to include within government guidance? This includes identifying eligible communities, consultation and engagement, governance and delivery and funding.**

We agree that government guidance should include how to identify the eligible communities, principles for consultation and engagement and the governance and delivery of benefits. It is also useful to define the roles and expectations of different actors within the process.

The suggestion for 'minimum recommended benchmarks' is useful, but we believe that the minimum benchmark should be hardcoded to ensure that communities do not miss out. As the consultation proposes that offshore wind developers reflect the cost of community benefits for their onshore network infrastructure in CfD bids, this will also ensure that benefits are not minimised to ensure a winning bid.

We support a collective process to developing the guidance that involves the local community and relevant stakeholders. Once drafted, the guidance should go to consultation.

**5. Do you agree with the government's proposals to focus on direct and wider community benefits, choosing not to pursue options such as community ownership and electricity bill discounts?**

We agree that a focus on direct and wider community benefits is the most practical and feasible - provided that these are hard-coded to ensure fairness. Enabling community ownership of transmission projects would be complicated and involve changing regulatory requirements, but the government could consider if it would be possible to move towards this model in future, as it would empower communities to be more involved in the transition to Net Zero and allow for enduring community benefits.

Though the consultation proposes that individual payments to households in direct proximity to infrastructure should not be in scope, this should be considered as part of the wider package of compensating communities for hosting energy developments. In Ireland, EirGrid has offered Proximity Payments as part of its community benefits since 2012. These are given to rural homeowners within 200 metres or less of certain newly built infrastructure, where it is impossible for new lines to avoid homes. The amounts are calculated on a sliding scale based on the proximity to and capacity of the new line or station, with a minimum payout of €2,000 and a maximum of €30,000.<sup>3</sup> Government should consider adopting a similar model, as this would allow for those most affected by developments to benefit beyond just wider community spend, and go some way towards mitigating the disruption caused by proximity to energy infrastructure.

**6. How do you think guidance could be developed most effectively? How should different stakeholders be involved?**

Stakeholders should be engaged in the process from the beginning. Workshops would offer the opportunity to input on the guidance early, and the draft guidance should also go through the consultation process, allowing enough time for meaningful input.

The government should also seek input from community representatives in drafting its guidance. Our research into best practice for developing Local Area Energy Plans

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<sup>3</sup> EirGrid, [Community Fund and Proximity Payments: Direct benefits to local areas when we develop the grid](#)

revealed eight recommendations for co-creation and meaningful engagement with communities. These are: to involve the community; collaborate as equal partners; offer the opportunity to participate with proactive outreach; ensure representation (especially from marginalised groups); offer support to engage, with provision made for the digitally excluded and people with disabilities; present timely, clear, accessible and engaging information; make the process transparent; and ensure accountability of the outcomes of community engagement. Engagement should happen continuously throughout the process and start from the very beginning.

**7. How do you think the effectiveness of this approach should be evaluated? Please explain why and provide any supporting evidence.**

The primary way this approach should be assessed is through the impact of community benefits on local residents. In particular, we would like to see a detailed assessment on marginalised or hard-to-reach groups, including how successfully they were involved in the community engagement process and how far they have benefited socially and financially from established schemes.

The government should include its proposed approach for evaluation in a follow-up consultation on the draft guidance.

**8. Do you have a preferred approach to how the level of funding should be calculated? Why is this your preferred approach?**

The level of funding could be determined by a fixed percentage of the project cost, or created in proportion to the scale of the project, as in EirGrid's Community Fund in Ireland.<sup>4</sup> However, this may not take into account the specific level of detriment on the community hosting the infrastructure. Instead, the payment could be determined with a consistent approach, taking into account a range of factors such as the project cost (and its cost savings for energy bill payers), the size of the project and the environmental and community impacts of new developments. National Grid Electricity Systems Operator is currently undertaking a review of its Centralised Strategic Network Plan (CSNP) with stakeholder involvement that includes assessing economic factors alongside the impacts to the community of energy infrastructure. Linking up this work could provide a way to measure impacts, onto which the appropriate level of funding could be allocated.

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<sup>4</sup> EirGrid, [Community Fund and Proximity Payments: Direct benefits to local areas when we develop the grid](#)

Another consideration should be how community benefits themselves are funded. While we agree that it is appropriate for electricity bill payers to fund this policy as it could result in overall bill savings and carbon emissions, it may be worth considering how setting a proportion to come from company profits would give developers an incentive to minimise the impacts of their projects on the local community.

**9. What level of funding do you believe is appropriate? Why do you believe this? Could you please provide any evidence or data as to how you have come to this calculation.**

It is vital to set funding at a level that ensures a fair trade-off between national consumers who may well benefit from bill reductions in the long-term, but will need to pay through bills in the short-term at a time of already-high prices, and communities that host the infrastructure. In light of this, we support setting a mandated minimum and maximum level of spend in the guidance, with a consistent approach in how the funding is allocated. Considerations should primarily focus on the cost to consumers, as well as the level of disruption communities will experience.

Another consideration will be on how a 'community' is defined within the guidance, and whether the size of the impacted community will also help to determine the level of payment it receives.

**10. Is there anything further we should consider as part of next steps?**

A further consultation should be issued on the draft guidance, including community engagement.

More thought is needed on how community benefits will interact with the planning process, as though the consultation says it is entirely separate, it is still unclear whether benefits would be used to influence positive planning outcomes. One option could be to only involve community benefits once the final planning decisions have been made, and allocated based on predetermined criteria, so that they do not function as a bargaining tool.

Next steps should also consider how best to standardise approaches across transmission and generation, and explore further how local ownership models can be deployed in future.

**11. Do you agree with the rationale for intervention and the market failures we have identified? Are there any points we have missed?**

No answer provided.

**12. Do you agree with the impacts that have been identified? If not, explain why with supporting evidence.**

No answer provided.

**13. Do you think there are other impacts that have not been identified? If yes, what other impacts are there that have not been included? Please provide supporting evidence.**

No answer provided.

**14. Please provide any data and evidence to support a detailed assessment of each of the impacts.**

No answer provided.

**15. Please provide any data and evidence on whether this policy is likely to reduce delays to transmission network build and how long by.**

No answer provided.

**16. Are there any groups you expect would be uniquely impacted by these proposals, such as small and micro businesses or people from protected characteristics? If yes, which groups do you expect would be uniquely impacted? Please provide supporting evidence.**

We believe there could be impacts on communities less able to engage with developers, who may be more likely to have protected characteristics, such as households with lower incomes or disabilities.