



Forestry and
Land Scotland
Coilltearachd agus
Fearann Alba

for our national forests and land

ASSET TRANSFER REQUEST FORM

Introduction

Please read the relevant parts of the [Community Asset Transfer Scheme](#) (CATS) Guidance before completing this form. You may also wish to refer to the Scottish Government's [Asset Transfer Guidance for Community Bodies](#).

The Request must be submitted in writing, either as a hard copy or by email. Please answer all the questions. You can attach additional information as extra sheets or electronic documents. Please be specific. When answering the questions you do not need to repeat any information you have already given, but simply refer to an earlier answer or attached document.

Please return the completed form and supporting documentation to:

Community Asset Transfer Scheme Team
Forestry and Land Scotland
231 Corstorphine Road
Edinburgh
EH12 7AT

E-mail: fls.communities@forestryandland.gov.scot

We will confirm receipt of your Request within 5 working days and you will receive a formal acknowledgement letter within 15 working days to confirm whether your Request is valid or requesting further information. We may also ask you for more information during the assessment and evaluation process.

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This is an asset transfer request made under Part 5 of the Community Empowerment (Scotland) Act 2015.

SECTION 1: Information about the community transfer body making the request

1.1 Name of the community transfer body making the asset transfer request

LOCHABER ENVIRONMENTAL GROUP

1.2 Community transfer body address

This should be the registered address, if you have one.

Postal address:

Lochaber Environmental Group

An Drochaid

Claggan

Fort William

Postcode: PH33 6PH

Tel. 01397 700 090

1.3 Contact details

Please provide the name and contact address to which correspondence in relation to this asset transfer request should be sent.

Contact name: James Hilder

Postal address: [REDACTED]

Postcode: [REDACTED]

Email: [REDACTED]

Telephone: [REDACTED]

✓ We agree that correspondence in relation to this asset transfer request may be sent by email to the email address given above. *(Please tick to indicate agreement)*

You can ask the Forestry and Land Scotland to stop sending correspondence by email, or change the email address, by telling us at any time, as long as 5 working days' notice is given.

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1.4 Type of eligible community transfer body

Please select one option and make with an "X" in the relevant box to confirm the type of community transfer body and its official number, if it has one:

- a Company and its company number is
- or
- a Scottish Charitable Incorporated Organisation (SCIO) and its charity number is
- or
- a Community Benefit Society (BenCom), and its registered number is
- or
- Unincorporated organisation (no number)

Please attach a copy of the community transfer body's constitution, articles of association or registered rules.

- If the organisation is an eligible community transfer body under the Community Empowerment (Scotland) Act 2015 go to **Section 2**.

1.5 If the organisation is not an eligible community transfer body under the Community Empowerment (Scotland) Act 2015:

a) Has the organisation been individually designated as a community transfer body by the Scottish Ministers?

No Yes

Please give the title and date of the designation order:

or b) Does the organisation fall within a class of bodies which has been designated as community transfer bodies by the Scottish Ministers?

No Yes

If yes what class of bodies does it fall within?

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Section 2: Information about the land and rights requested

(see CATS Guidance Section 1.2)

2.1 Please identify the land to which this asset transfer request relates.

You should provide a **grid reference** and attach a **map** clearly showing the boundaries of the land to which this asset transfer request. You should also provide any name by which the land is known, and you may also wish to provide additional description. You can contact your Forestry and Land Scotland [Region](#) office for assistance in providing a copy of the map. *If you have identified the land on Forest Enterprise Scotland's [Register of Land](#), please enter the details listed there.*

Grid reference & Name and description of the land:

LEG request a lease of the land associated with a water intake, pipeline route and turbine house to be located in the forest associated with the Abhainn Greadhain Burn in Glenachulish.

Proposed Intake location NN 204519 757710

Proposed Powerhouse NN 04692 58927

Proposed Outfall NN 04720 58938

Proposed Grid Connection NN 04692 58927

If your request is for a building, you should provide a street address and the Unique Property Reference Number ([UPRN](#)) if known.

Address:

UPRN ([if known](#)):

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Section 3: Type of request, payment and conditions

(see CATS Guidance Section 1.4)

3.1 Please tick what type of request is being made:

for **ownership** (under section 79(2)(a)) – go to **Section 3A**

for **lease** (under section 79(2)(b)(i)) – go to **Section 3B**

for other **rights** (section 79(2)(b)(ii)) – go to **Section 3C**

3A – Request for ownership

What price are you prepared to pay for the land requested (see CATS Guidance Section 2.2)?

Proposed price: £

Please attach a note setting out any other terms and conditions you wish to apply to the request.

3B – Request for lease

a) What is the length of lease you are requesting?

25 years

b) How much rent are you prepared to pay? (see CATS Guidance Section 2.2)
Please make clear whether this is per year or per month.

Proposed rent: £ 3% per annum of gross revenue

Please attach a note setting out any other terms and conditions you wish to be included in the lease, or to apply to the request in any other way.

3C – Request for other rights

a) What are the rights you are requesting?

That LEG may sub-lease the assets to LEG Power, a Community benefit society.

Do you propose to make any payment for these rights?

Yes No

If yes, how much are you prepared to pay? Please make clear what period this would cover, for example per week, per month, per day?

Proposed payment: £ per

Please attach a note setting out any other terms and conditions you wish to apply to the request.

Section 4: Community Proposal

You may wish to refer to relevant sections in supporting documents.

4.1 Please set out the reasons for making the request and how the land or building will be used.

This should explain the objectives of your project, why there is a need for it, any development or changes you plan to make to the land or building, and any activities that will take place there.

The project will be a community-owned 544kw hydro scheme which, when running at full power and is expected to generate over 1.7 GWh of electricity. This is enough electricity for 420 homes and will save 850 tCO₂e compared to a modern gas power station.

Green Highland Renewables originally developed the project as part of its agreement with the (then) Forestry Commission Scotland. Planning consent was first lodged in 2016. With an estimated build cost of £2.3 million, and a successful FIT accreditation, the scheme is viable with a 20-year Internal Rate of Return at 10 year P90 Revenue range of between 7.89-9.26%. Having decided not to progress the scheme, it was offered to the local community of Ballachulish who declined to take on the project citing lack of capacity. Local Energy Scotland then contacted the Lochaber Environmental Group (a company ltd by guarantee with charitable status) who committed to progress the project.

The project has planning permission, abstraction licence and grid connection, and FIT accreditation. The latter requires the scheme to be fully operational by September 2021 and therefore we are seeking to fast track this CATS request for a lease on the associated forestry land.

As a standard run of river hydro, the changes to land will involve:

- Access rights for construction and regular maintenance
- Construction of a water intake approx. 150 m above the existing car park
- Felling of commercial conifers in the upper part of the catchment
- Felling of regrowth (mixed) along the route of the existing forestry access track
- Laying of the penstock
- Construction of the turbine house and tailrace
- Connection to grid

LEG – the community owned company (with charitable status) will lease the land from F&LS and then sub-let to LEG Power – the newly registered Community Benefit Society (no.8338) that will build and operate the scheme.

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4.2 Benefits of the proposal

Please set out the benefits that you consider will arise if the request is agreed to (see CATS Guidance Section 3.2). This section should explain how the project will benefit your community, and others.

Please refer to the guidance on how the relevant authority will consider the benefits of a request.

The benefits are on several levels:

Environmental

Commercial

Community

Environmental

Carbon reduction as a result of a renewable resource (as noted above saving 850 tCO₂e) when generating at full capacity.

Surpluses will be donated to the charity Lochaber Environmental Group (LEG) and thus will be used to fund further initiatives promoting environmental sustainability, delivered or facilitated by LEG. LEG and its projects cover the Lochaber area which is comprised of two Highland Council Wards, ward 11 (Caol and Mallaig) and ward 21 (Fort William and Ardnamurchan.)

Commercial

Capital investment of £2.4 million will generate a short-term benefit of economic spin-off during construction phase.

Should a social impact clause be included in the contract tender, then more direct benefits will accrue through provision of local employment.

An annual rental will be paid to Forestry & Land Scotland.

Community share ownership will see annual interest payments made to local members/investors - retaining cash in the local economy.

Community

The scheme will provide a reliable and sustainable source of income for the Lochaber Environmental Group, which has been reliant on the vagaries of grant support since 1999. LEG works to reduce carbon emissions and foster a sustainable future for the environment and communities of Lochaber – focusing on energy efficiency, renewable energy, active travel, local food production and waste reduction.

It aims to preserve, conserve, and restore the environment of Lochaber for the benefit of the local communities, and facilitates training, and the sharing of advice and information.

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The local community of Ballachulish will also receive an annual Community Benefit Payment of approximately £2,500 in line with government guidelines (for an equivalent of £5,000 per MW installed p.a.)

Community share ownership enables local charities and third sector organisations to invest and secure income at a higher percentage rate (est. 4%) than savings accounts.

Building of the hydro scheme will necessitate extending the forest track up Gleann Chaolais providing an additional recreational route for dog walkers and hill walkers and opening opportunities for a circular path at head of the glen.

4.3 Restrictions on use of the land

If there are any restrictions on the use or development of the land, please explain how your project will comply with these. Your Forestry and Land Scotland [Region](#) office can provide assistance in identifying any restrictions and how to comply with them.

Restrictions might include, amongst others, environmental designations such as a Site of Special Scientific Interest (SSSI), heritage designations such as listed building status, controls on contaminated land or planning restrictions.

There are no designations on the land proposed that would have significant impact on the development:

The site is within the western flank of the Ben Nevis and Glen Coe National Scenic Area (SNH 9120)

The glen is surrounded on three sides by the Glen Etive and Glen Fyne SPA (UK9020307), designated for golden eagles (*Aquila chrysaetos*) however SNH raised no objections/concerns to the development. However, the Planning Permission from Highland Council contains 12 conditions – mainly standard in nature.

LEG has commissioned an Environmental Clerk of Works (Highland Ecology - Kate Proctor) to provide appropriate expertise to ensure best practice and approved construction and mitigation techniques are carried out. Working alongside the contractor, any problems or issues that arise can be dealt with quickly with minimal impact by the ECOW.

We expect to submit a Tree Planting Plan & Maintenance Programme to the authority as part of the development.

Construction traffic and timber lorries and machinery required to fell forestry will access the site in accordance with the approved Traffic Management Plan: Appendix I of the ER. – no HGV's to access site via A828 U1598 Glenachulish Road. We will require access over Forestry & Land Scotland forest tracks to the north of St Johns' Episcopal Church

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There are two 'Core Path' routes which will be impacted by the construction phase. We intend to liaise with the Highland Council Access Officer to agree protocols to minimise disruption and safeguard recreational users, signposting alternative routes and specify any closure dates.

4.4 Negative consequences

What negative consequences (if any) may occur if your request is agreed to? How would you propose to minimise these?

You should consider any potential negative consequences for the local economy, environment, or any group of people, and explain how you could reduce these.

We see no negative consequences for the local economy. An appropriate compensation rate will be agreed with Forestry and Land Scotland for extracted timber although once quantities have been established there may be opportunities to increase the community benefit by making wood-fuel available to local households. (This is subject to further discussion/negotiation.)

Environmentally, there will be some loss of tree cover along the penstock route but by following the route of the forest track for two thirds of the route we hope to minimise landscape impact. Where trees will be felled at the top of the glen, this is commercial forest which will be subject to felling in the future and has no significant environmental value.

Mammal surveys will be concluded but early indications are that there are no protected species at risk. We will mitigate impacts of construction (e.g. sediment run off) with appropriate measures as directed by the ECOW.

Local residents living adjacent to the turbine house may be impacted by:

a) construction noise and turbine noise and visual impact. These residents have already met with LEG representatives to contribute to our plans and seek reassurances and have expressed support for the project. (Ref: Drop-in session, Ballachulish Golf Course Clubhouse, December 5th 2019)

Construction will be subject to appropriate controls for near-neighbour disruption (e.g. start and stop times).

b) Building design will be sensitive to the forestry setting and acknowledges that it will be within site of the main car park for recreational users of the glen and some residential properties. It will also incorporate acoustic materials to minimise any background turbine noise.

c) There are two 'Core Path' routes which will be impacted by the construction phase. LO05.01 and LO05.02. We intend to liaise with the Highland Council Access Officer (as well as local Forestry & Land Scotland staff) to agree protocols to minimise disruption and safeguard recreational users, signposting alternative routes and specify any closure dates. Both will be impacted by construction traffic during construction, particularly LO05.02 which runs from St John's to the Glenn. LO05.01 circumnavigates the penstock route so the key issue will be points at which the core path crosses the construction route.

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4.5 Capacity to deliver

Please show how your organisation will be able to manage the project and achieve your objectives.

This could include the skills and experience of members of the organisation, any track record of previous projects, whether you intend to use professional advisers, etc.

The Chair of LEG and a Founder member and Director of LEG Power has significant experience in setting up and managing a commercial Hydroelectric scheme. (Nevis Range Hydro - Allt choille Rais)

The 2 Project Support Workers during the Development phase have experience of setting up a successful community hydro scheme and raising public finance through a community share offer and loans. James Hilder, former CEO of the Mull & Iona Community Trust has 20 years project management experience including laying the groundwork for the community-owned Garmony Hydro on Mull. He supported the creation of Sunart Community Hydro whose Board commissioned Dale Meegan, to deliver the Sunart Community Hydro scheme. Dale is an experienced Project Manager and has also advised on other community share offers and environmental projects. She succeeded in securing grant support from Community Shares Scotland to establish LEG Power - the community benefit society which will own and run the scheme – and to promote a future share offer.

Three of the LEG Power Directors are also Trustees of LEG - a charitable organisation responsible for the development of environmental projects across Lochaber. One Director of LEG Power has considerable community development experience and both Project Support Workers at the Development phase are experienced community development workers with experience of developing and delivering on community engagement and consultation. A third Director who is a scientist and ecologist, has direct experience of delivering activities within Lochaber to help people and businesses become more energy efficient, reduce waste and use sustainable transport. We are in the process of recruiting 3 more Directors with varied skills and experience.

The technical advisor, Green Cat Renewables, has significant experience of similar renewable energy community projects. <https://www.greencatrenewables.co.uk/>

Lochaber Environmental Group, as an existing charitable company has all the appropriate administrative, payroll, and audit systems in place to deliver the project and it is intended to use some of the Hydro surpluses in future years to increase that capacity. LEG is in receipt of a £150,000 CARES Loan to bring the project to financial close working closely with Karen Delaney and James Buchan of Local Energy Scotland to minimise risks of project drift.

Section 5: Level and nature of support

5.1 Please provide details of the level and nature of support for the request from your community and, if relevant, from others (see CATS Guidance Section 3.2)

You should describe the community your body represents and include information on the proportion of your community who are involved with the request, how you have engaged with your community beyond the members of your organisation and what their response has been.

You should also show how you have engaged with any other communities that may be affected by your proposals.

Our community includes the whole of the large rural area of Lochaber in the Scottish west Highlands. It stretches from Rannoch Moor in the south to the sea coastline, including Ardnamurchan and Mallaig in the west. The Highland town of Fort William sits at the head of Loch Linnhe and at the foot of Ben Nevis, the highest and most popular mountain in the British Isles. The population of Lochaber is approximately 20,000 dispersed over a large rural and coastal area including the two electoral wards of Caol and Mallaig, and Fort William and Ardnamurchan. It is predominantly rural and has a population of approximately 20,000..

The Lochaber Community Hydro is being built in Glenachulish on the southern edge of Lochaber overlooking Loch Linnhe.

Our community, however, is much more than the geographical area of Lochaber. It also includes all those people who want to create a sustainable future for the environment including an increased use of renewable energy and a reduction in carbon emissions.

Proportion of the community who are involved and how we have engaged with the community and their response

This project has been considered by the immediate geographic community of Ballachulish over the last 5 years, and during that time a number of public discussions were held. The communities aspirations to develop a hydro scheme were incorporated into the 2016-2021 Ballachulish Action Plan which was the result of 6 months of intensive community consultation

<https://stardevelopmentgroup.org/wp-content/uploads/2012/12/balla-caprev-lr-1.pdf>

When the Ballachulish community decided they did not have the capacity to develop the project Local Energy Scotland invited LEG to pursue the project. LEG has a wider geographical area of benefit, a combined membership/supporter base of and a following on social media of 1300.

Specific consultations could not begin until LEG knew that the Planning Permission had been 'activated' as the permission (having been granted in 2016 to Green Highland Renewables) was due

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to expire. By nominally beginning construction with some ground clearance in November 2019 the project took a step forward.

A mailshot was delivered to contacts within the Ballachulish and Glenachulish area in November, including the Ballachulish Community Council and Community Company. This invited residents to a Drop-in session, Ballachulish Golf Course Clubhouse on December 5th 2019. This session indicated strong support for delivery of the project.

On the 4th February a presentation was made to the Ballachulish Community Council to clarify progress and a motion was passed to express written support for the project. At this meeting the LEG representative confirmed the intention to offer an annual community benefit payment to Ballachulish once the project was generating funds, although the immediate community would also benefit from ensuing LEG projects that would be accessible to local residents.

LEG prepared a Community Engagement Action Plan, to increase interest in the project and the impending community share offer but with the changed circumstances caused by the covid 19 pandemic, opportunities to meet with different community groups had to be suspended. In its place LEG has focused on different methods for engagement with the community including

- An online survey to ascertain support for the project posted via LEG Facebook page
- Development and launch of a website for the project <https://legpower.org/> which included FAQ about the Hydro project and community shares, and encouraging people to get in touch.
- launch of LEG Power community hydro Facebook page
- Articles in the press and local community publications/newsletters
- commissioning of a promotional film

From these activities, we have been able to

- receive responses from the online survey which indicate 98% support for the project
- compile a list of people in our community interested in supporting the Hydro through investing in community shares
- recruit new Directors to the Board of LEG Power with additional skills and experience in developing and delivering a community hydro
- schedule some speaking engagements for when the rules around the pandemic are relaxed sufficiently

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In addition, the 117 strong membership of LEG and its wider supporter network of 1631 followers of our Facebook page has demonstrated interest and commitment to this scheme since the Autumn of 2019. A presentation to the LEG AGM in November 2019 about the proposed development of the community hydro received unanimous support.

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Section 6: Funding

Please outline how you propose to fund the price or rent you are prepared to pay for the land, and your proposed use of the land

(see CATS Guidance Section 1.5)

You should show your calculations of the costs associated with the transfer of the land or building and your future use of it, including any redevelopment, ongoing maintenance and the costs of your activities. All proposed income and investment should be identified, including volunteering and donations. If you intend to apply for grants or loans you should demonstrate that your proposals are eligible for the relevant scheme, according to the guidance available for applicants.

Full details of the project are enclosed in the attached Feasibility Report from Greencat Renewables although there have been some slight changes to the location of the intake and the CAPEX costs.

The attached PDF's of the spreadsheets provide further detail. A Summary of the finances are as follows:

Develop & Build Funds

| | |
|--------------------------|------------|
| Development CARES Loan | £ 150,000 |
| Senior Debt e.g. Triodos | £1,550,000 |
| Community Shares | £ 750,000 |

Summary P&L (20 Years)

| | |
|------------------------------|--|
| Gross revenue (FIT + Export) | £5,766,023 |
| Operating Expenses | -£1,033,444 (assumes F&LS Lease at 3%) |
| Loan Interest | -£ 523,211 |
| Shareholder Interest | -£ 240,000 |
| Depreciation | -£1,172,622 |
| Net Profit | £2,796,176 |

Community Environmental Benefit

| | |
|-----------------------|--------------------|
| Fund | -£1,274,570 |
| Loan Repayment | -£1,333,809 |

The financial model has been revised in the light of discussions with potential lenders during the pandemic lockdown and opportunities presented by an increased target for LEG Power to raise income from the sale of community shares (equity). Once this position is clearer then it will be immediately forwards to Forestry & Land Scotland

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Signature

Two office-bearers (board members, charity trustees or committee members) of the community transfer body must sign the form. They must provide their full names and home addresses for the purposes of prevention and detection of fraud.

This form and supporting documents will be made available online for any interested person to read and comment on. Personal information will be redacted before the form is made available.

We, the undersigned on behalf of the community transfer body as noted at section 1, make an asset transfer request as specified in this form.
We declare that the information provided in this form and any accompanying documents is accurate to the best of our knowledge.

- | | | |
|----|-----------|---------------------------|
| 1. | Name | Susan Carstairs |
| | Address | ██████████ ██████████ |
| | Date | Updated 24/08/2020 |
| | Position | Director |
| | Signature | (See attached) |
| 2. | Name | Marian Austin |
| | Address | ██████████, ██████████ |
| | Date | Updated 24/08/20 |
| | Position | Director (Chair) |
| | Signature | See attached |

Checklist of accompanying documents

To check that nothing is missed, please list any documents which you are submitting to accompany this form.

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Section 1 – you must attach your organisation’s constitution, articles of association or registered rules

Title of document attached:
LEG Articles of Association
LEG Power Community Benefit Society Rules

Section 2 – any maps, drawings or description of the land requested

Documents attached:
Location Map
Topographical report

Section 3 – note of any terms and conditions that are to apply to the request

Documents attached:
See attached results of Facebook Survey showing 90%+ in favour of the development.
Letter of support from Ballachulish Community Council to follow.

Section 4 – about your proposals, their benefits, any restrictions on the land or potential negative consequences, and your organisation’s capacity to deliver.

Documents attached:
Planning Consent

Section 5 – evidence of community support

Documents attached:
Community Action Plan
Powerpoint Presentation to LEG AGM (Nov 2019) & Ballachulish Community Council (Feb 2020)
Photo of Lochaber News article etc.
Online survey responses
Photo of Glenachulish event

Section 6 – funding

Documents attached:
Greencat Renewables Feasibility Study
Word Document reflecting the 69 respondees to the Surveymonkey survey.
Financial Overview using a Crossflow Turbine.
Revised Project Timeline from Greencat Renewables

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