

Consultation Question 1: Do you think that providing opportunities for both local and regional investments are the right priorities for the Shale Wealth Fund?

The planning system should remain the objective process by which the planning merits of proposals are assessed. Planning conditions and planning obligations should continue to be the means by which undesirable impacts of a development are controlled and mitigated.

There are precedents for providing community benefits as a consequence of minerals, waste and renewable energy developments, such as the Aggregates Levy Sustainability fund, Landfill Communities fund and the Sustainability Development fund and, as such, the introduction of a Shale Wealth Fund is supported in principle. However, there is no precedent for funding being made available directly to individual households. It is important that shale gas proposals are considered to be like any other mineral development and not treated as special cases, as this could devalue the present system.

Consultation Question 2: Do you agree that a more local level should receive revenues before a more regional level (establishing the ‘trickle-up’ principle)?

Yes, revenues should, in the first instance be directed at the local level thereby benefiting those potentially most affected by the development. Specific priorities should be left to local areas to determine, reflecting the localism agenda. Local projects can often be more easily and quickly translated into tangible and visible benefits for local people and will serve to reinforce the purpose and effectiveness of the wealth fund. However, it would be appropriate to put an upper limit on the amount of funding that is directed to the local level (see answer to Q.3 below for details).

Consultation Question 3: Over the lifetime of the Shale Wealth Fund, what do you think the proportion of funding allocated between these two priorities should be?

The consultation paper states that the Shale Wealth Fund could deliver up to £1 billion of funding over a 25 year period and this provides the potential to make a very significant contribution to major infrastructure and economic projects for whole regions and benefit a large proportion of regional populations. It may therefore be appropriate to direct the majority of the funding to a regional level to make the most impact for a greater number of people.

Consultation Question 4: Should the government retain flexibility regarding the proportion of funding between delivering benefits at local and regional levels, to enable learning from the industry pilot schemes and once the magnitude of shale revenues becomes clearer?

Yes, there should be flexibility regarding the proportion of funding between benefits allocated at local and regional levels. This should be reviewed on a

regular, possibly annual basis and should respond to the lessons learned from the industry pilot schemes.

Consultation Question 5: Do you have views on how the “local community” to a shale site should be defined for the purposes of the Shale Wealth Fund?

The definition of the “local community” for the purposes of the shale wealth fund should be taken locally, involving all relevant local groups/ parish councils etc. However, experience gained and examples of good practice from other community funding schemes, such as the landfill community fund and the sustainable development fund, could be helpful in drawing up guidance for this.

Consultation Question 6: Do you agree that the “local community” should be defined on a case-by-case basis?

Yes, but final decisions should rest with locally elected members to ensure full accountability and transparency. It will be necessary to carefully consider the allocation of the funding where developments are close to Parish Council boundaries or in situations where HGVs pass through other neighbouring parishes to reach the development site.

Consultation Question 7: Do you think a set of principles should be developed to ensure consistency of approach for different shale developments?

A set of criteria (rather than principles) should be developed to ensure consistency of approach. However, these should be reviewed and developed as lessons are learnt from the pilot schemes.

Consultation Question 8: If possible, should the government seek to align any “local community” element of the Shale Wealth Fund with the industry’s community benefits scheme?

No, these should be kept as separate sources of funding, they are from different “providers” and would potentially be available at different stages of the development. The industry’s community benefits scheme should help the industry develop its own relationship with local residents. Ideally, there should be some coordination/alignment of the proposed uses of the two funding streams to avoid duplication or non - complementary schemes.

Consultation Question 9: Do you agree that at a local level, it should be for local people to determine how the Shale Wealth Fund is spent?

Yes, see answers to Q6, Q7 above and Q10 below which are applicable to this question also.

Consultation Question 10: How could the government ensure that all local residents benefit as directly as possible from the Shale Wealth Fund?

The views of local residents should be sought through surveys carried out in the area to ascertain local priorities. The views of relevant parish councils and neighbourhood forums, where these exist, should also be taken into account, alongside all relevant stakeholders.

Consultation Question 11: At the local level, should expenditure from the Shale Wealth Fund be subject to any ring-fences for a specific purpose? If so, should these be locally or centrally determined, and do you have views on what they should be?

Expenditure from the Shale Wealth Fund should be ring-fenced for specific purposes, such as those suggested in paragraph 3.10 of the Consultation paper. The projects chosen should be agreed locally but be based upon nationally set criteria. The objectives of the criteria should be to improve the environmental, economic and social conditions of the local area.

Consultation Question 12: At the local level, would an appropriate use of the Shale Wealth Fund be to make direct payments to households?

No, this is not considered to be appropriate as it would not benefit the community as a whole and could create a divisive local environment where some residents were in receipt of the funding and others were not. Additionally, the suggestion of making payments to individual households sends the message that shale gas development is so damaging that there is the need to give financial compensation to residents. Community funding from shale gas proposals should be treated in the same way as other mineral developments.

Consultation Question 13: Do you have views on who should make decisions on Shale Wealth Fund allocation at a local level? Do you have a preference between an existing body (such as a parish or district council), using the same community led panel as the industry scheme, or creating a new body?

Using an existing body for both funding sources would avoid the cost of setting up and running a new body and could ensure that projects were aligned (see Q8). The Parish Council or Neighbourhood Forum would seem to be the logical body to make such decisions in consultation with other relevant stakeholders including the District Council who could oversee the process, particularly where more than one Parish was involved.

Consultation Question 14: How can the government ensure that decisions are as directly influenced by local residents as possible?

See answer to Q10 above. Local residents would be represented on the Parish Council/ Neighbourhood Forum who would be involved in the decision making process.

Consultation Question 15: Do you have a view on how the boundaries should be defined for a regional level of the Shale Wealth Fund?

County Council boundaries should be used for administering funding at a regional level. County boundaries are easily understood and align with other boundaries such as the health authority, Local Enterprise Partnerships and the districts etc which could help with delivery of the funding. Decisions on shale gas proposals will be made at this level ensuring that the authority is fully accountable for the decisions it makes.

Consultation Question 16: What kind of investments should be made from the regional level Shale Wealth Fund?

Investments from the regional level Shale Wealth Fund should be used for significant economic and infrastructure purposes, such as those suggested in paragraph 4.7 of the Consultation paper. The projects chosen should be agreed at a regional level but be based upon nationally set criteria. The objectives of the criteria should be to improve the environmental, economic and social conditions of the region, with a particular emphasis on creating a strong economy linked to improved training and local employment.

In order to readdress the balance, and the widespread criticism of shale gas as a source of non-renewable energy, funding from the Shale Wealth Fund could be used for investments in renewable energy schemes, such as large scale wind and solar farms. And insulation projects both thermal and sound in the local and wider area.

Consultation Question 17: Do you think a regional level of the Shale Wealth Fund should be administered by direct grants to specific organisations, or through an open bidding process?

An open bidding process would seem to be the fairest so that it is not just restricted to known organisations. However, all projects would need to fit with the nationally set criteria and be managed in conjunction with all relevant stake holders, including Parish/District/County Councils to ensure transparency and accountability.

Consultation Question 18: Do you have views on how a regional level of the Shale Wealth Fund should be governed? Are there existing regional organisations or local or national governance structures that would be particularly suited to oversight of such a fund?

At a regional level County Councils would be best placed to provide a governance structure for their area. County Councils are democratic and accountable and have existing legal, financial and administrative structures in place. They would be in a position to oversee coordination with other relevant stake holders including the district councils and LEPS.