What is community shared ownership?

Community shared ownership is a partnership model in which a community organisation takes a financial stake in a renewable energy project—such as wind, solar or hydro—most commonly alongside a corporate developer. The community partnership could also be between a local authority and other communities.

The community becomes a long-term investor in the project, sharing proportionately in risk and return over the asset's lifetime. This is **separate from, and additional to, community benefit payments** and is designed to sit comfortably alongside standard project finance structures.

Shared ownership is always voluntary and works best when it is transparent, well-structured and supported by appropriate advice on both sides.

Why shared ownership makes commercial sense

Shared ownership can move projects beyond transactional engagement and toward genuine local partnership. When communities have a stake in the success of a project, they are more likely to understand it, support it and take a long-term view.

Across Scotland, developer experience shows that projects with meaningful shared ownership are often perceived more positively, attract less local opposition and benefit from more constructive relationships over time.

For communities, shared ownership can generate **30–40 years of income**, strengthening local capacity and resilience. For developers, it can help create stable operating environments, reputational value and alignment with just-transition and net-zero policy objectives.

Flexible models that fit project needs

There is no single shared ownership model. Approaches can be tailored to project scale, financing structure and risk appetite. Common options include:

- **Equity stake/joint venture** – the community acquires a share in the project company
- **Split ownership** – the community owns a defined element of the asset (for example, a turbine)
- **Shared revenue arrangements** – the community receives a defined share of revenues without owning the asset

These models can be adapted to preserve bankability while delivering meaningful local participation.

Timing, risk and support

Community investment can be structured at different points in the project lifecycle.

- **Earlier entry** can involve higher development risk but potentially stronger returns
- **Later entry** can reduce risk and complexity while still delivering long-term value

Shared ownership discussions typically run alongside planning and development, and benefit from being introduced early. In Scotland, developers and communities can draw on established support through programmes such as **CARES** (Community and Renewable Energy Scheme), delivered by Local Energy Scotland, which provides funding and independent advice for feasibility, legal structuring and capacity building.

Why it matters for developers and the wider industry

For developers and investors, shared ownership can:

- Strengthen relationships with host communities
- Reduce planning and delivery risk linked to opposition
- Demonstrate leadership on social value and just transition commitments
- Align projects with national and local energy policy expectations

For policy-makers and the supply chain, shared ownership embeds fairness into the net-zero transition and helps ensure that the economic value of clean energy supports long-term, place-based outcomes.

A shared opportunity

Community shared ownership works best when it is offered early, approached commercially and with transparency, and delivered as a genuine partnership—supported by independent advice and clear governance.

Done well, it can create value for communities, reduce friction for developers, and contribute to a more resilient and inclusive energy system.

If you are interested in exploring shared ownership opportunities, contact:

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