

Mid Hill Wind Farm: Feughside Community Fund Guidelines

1. Mid Hill Wind Farm*

On behalf of Fred Olsen Renewables, Mid Hill Wind Limited (MHWL), owner of the Mid Hill Wind Farm, has set up a community benefit fund to contribute to the communities near which it operates. These communities are:

- Auchenblae & District Community Association
- Crathes, Drumoak and Durriss Community Council
- Feughdee West Community Council¹
 - Feughside Community Council (FCC)
 - Brathens, Glassel, Inchmarlo Community Council (BGICC)
- Glenbervie & District Community Association (SCIO)
- Banchory Community Council

The fund available was initially £1000 per installed megawatt (MW), per annum, index linked to inflation. The wind farm is currently planned to have a generating capacity of 57.5MW in Phase 1, rising to 75MW in Phase 2.

This amount was split amongst the five community organisations, as determined by MHWL. The allocation to the former Feughdee West Community Council (FWCC) was approx. £33,000 per year, available to support selected community projects. The other four organisations each manage their own funds. This total amount available each year rises to compensate for inflation. The newly formed Feughside Community Council will be eligible to receive approx. £21,000 each year.

The Community Fund is now known as Feughside Community Benefit Fund and applications by organisations requesting funding may be made at any time. A review of applications will be made three times per annum providing there are sufficient funds – deadlines for applications are 1st March, 1st July and 1st October. A Review of the process is conducted annually in July. A decision on whether to support applications and the amount of funding recommended will be made by FCC who will be advised by a sub-committee comprising up to five members of the Community Council and up to three representatives from the local community which the Community Council serves.

¹In September 2020 FWCC was split into two new Community Councils – FCC and BGICC and agreement was reached to share the amount received by FWCC as per electoral roles. This means that of the original 30% of the Midhill funds received by FWCC, FCC will receive 62% and BGICC will receive 38% of that amount going forward.

Applications that are recommended for funding will be forwarded to Fred Olsen Renewables. Provided that they are in agreement with the recommendations, Fred Olsen Renewables will approve and distribute funds to FCC who will then send to the applicant/s. The process from application to successful applicants receiving funds is expected to take approximately 6 months.

2. Funding Guidelines

Funding from the FCC Community Fund is available to organisations within the FCC area for the benefit of its inhabitants. These Guidelines have been produced to assist those who are applying for such funding.

3. Geographical boundary

You can verify whether you live within the FCC area by checking on the Aberdeenshire Council website or using the following link <http://www.aberdeenshire.gov.uk/local/map.asp> (Enter your post code and press 'Go'. When you click on your address you will be able to see your local Community Council). You can also check with the applications secretary at: midhill.secretary@gmail.com and also the FCC website at: www.feughside.com

4. What projects are eligible to apply to the fund?

To apply for funding, community groups or organisations must be properly constituted. You do not need to be a registered charity to apply for a grant but you must be able to demonstrate community benefit. If you would like to make an application but are not part of a properly constituted group or organisation, please contact the Community Council. The fund welcomes applications from organisations that make a difference across a range of areas:

Children and young people – projects focused on improving access to facilities, activities and services for younger members of the community.

Community buildings and amenity sites – projects which maintain and develop buildings and amenity sites being used and run by the community, especially projects which help ensure their sustainability for the future.

Community transport and communication initiatives – schemes that promote mobility of people and information in the community.

Conservation, wildlife and animal sanctuary projects – in particular those which improve the use of and access to communal land as defined by access legislation and other land as agreed with the Landowner.

Culture and Heritage – projects that celebrate, protect and promote culture, history and heritage.

Education and skills development – group and community based programmes, particularly for those who have had no previous access to training opportunities.

The elderly – projects focused on improving access to facilities, activities and services for more senior citizens in the community.

Energy efficiency and environmental sustainability – community projects to minimise energy loss, promote the use of green energy or sustain the natural and built environment.

Health - projects focused on improving access to facilities, activities and services that aim to improve the health and well-being of the local community, including through sports.

Regeneration – community projects that help to reduce crime levels, increase employment, housing or improve the physical environment.

Self-help groups – community groups that deliver services to specific sectors of the community that are in need.

Vulnerable people – projects focused on improving access to facilities, activities and services for people with disabilities, the homeless and those who are disadvantaged.

Any other project your group feels will bring benefit to the community in the area.

5. What will not be funded?

The aim of the fund is to ensure that there is a real benefit to the community it serves, so the following will not be funded:

- Projects outside the defined FCC boundaries,
- Fundraising for national or regional charities unless the funds are going directly to a group or project operating in the area of benefit.
- Any project the financing of which is the legal responsibility of any third party, unless explicitly agreed in writing prior to submitting your application.
- Sponsorship.

- Improvements to land that is not open to the general public.
- Projects or activities promoting political or religious objectives.
- Deficit or retrospective funding (i.e. activities that have already taken place).
- Any purpose that adversely affects or works against the interests of the wind farm or the owner of the land on which the wind farm is constructed or the Company or any of its subsidiary or related companies
- Any purpose that adversely affects or works, whether directly or indirectly, against any form of renewable energy development
- Projects or activities which support an individual or individuals who are not acting on behalf of a group or organisation with the capacity to benefit the wider community.
- Projects and activities likely to cause divisiveness or community disharmony.
- Applications for projects made by individuals or agencies where commission or other payment is made to that individual or agency.
- Applications for projects made by individuals or agencies for re-distribution to other separate individuals or agencies.
- Applications to support "commercial gain"

6. What information do you need to provide?

It will help your cause if you can demonstrate any or all of the following:

Benefit: Demonstrate a clear benefit from the project and what support you have from the local community. It will help if you can provide evidence of research or consultation with those who will directly benefit – tell us about it!

Community Use: Show the true extent of the proposed project or funding in terms of duration and numbers of beneficiaries.

Community Involvement: The fund would like to support projects where the community is already helping itself and where there is enthusiastic input from committed and resourceful people.

Value: You need to demonstrate value for money as well as careful and realistic budgeting, show sensible costings and provide quotes from more than one source, e.g. projects over £1,000 should have 3 different quotes. It will help if projects already include revenue from other sources (i.e. are already part-funded or match funded).

7. How long is funding for?

Our grants are for one year and should be spent within 12 months of receipt. Applicants can apply for funding in consecutive years but should not assume that these will be successful as applications from groups that have not previously received funding may be given higher priority.

Funds not used within 12 months of award may be absorbed back into the fund and re-distributed unless agreed by FCC.

8. What level of funding is available?

With the Mid Hill fund, there is a limit of three years community benefit that can be applied for in any one year. However, only in exceptional circumstances will funds in excess of the annual community benefit be awarded, as any such overspend will reduce funds available in subsequent years.

Applications for larger funds would be expected to benefit wider areas of the community for longer. There is no guarantee that the full amount requested in any application will be granted, so applicants should indicate whether their project can proceed with part-funding.

Match funding is currently not a pre-requisite required for applications, but it will help your application if you are able to demonstrate that additional funding has been secured or has been applied for. Grants from the fund may be used as match funding unless excluded by the managers of other matched funds.

Should the members of the six communities covered by the Mid Hill fund wish to work on joint projects providing benefit to more than one area, applications for funds could be made in each of the areas that would benefit. The funding requested from each area should be proportional to the benefit to that area.

9. The application process

Applications can be submitted by 1st March, 1st July or 1st October and, provided that it is received at least two weeks in advance, an application will usually be considered at the following meeting of the FCC.

There is an Annual Review meeting every July and although the main focus is to review the overall process and supporting documentation, applications will also be considered at this meeting provided there are

sufficient funds available. Potential applicants should contact Midhill.secretary@gmail.com who can advise if there are funds available and provide further guidance, if required, on the application process.

The application form will be made available either in hard copy or online to interested parties.

Once your application is received, FCC may wish to contact the applicant, so it is important that the person nominated on the form is knowledgeable about the project.

The FCC Sub-Committee will assess all applications and present their recommendations at the next FCC monthly meeting where a final vote can be held, and is minuted, on whether funding should be available for each application.

10. How will funding decisions be made?

A FCC Sub-Committee will assess the applications and score each application against a set list of criteria. They will consider the benefit offered by each application, the level of funding required and make recommendations for FCC approval on the awarding of funds to Fred Olsen Renewables.

The objective is that the decision process will be fair, transparent and without bias. We will consider all applications equally, hence FCC Community Council members and members of the Sub-Committee will not be able to vote for applications in which they have a vested interest.

11. What do I need to send with my application?

As well as the appropriate completed application form, you may be asked to provide:

- **Constitution** - A signed copy of your organisation's governing document, constitution or memorandum and articles of association. This could be a simple set of rules and the project description. Your organisation should operate with regard to equal opportunities best practice, and this should be reflected in your constitution.
- **Accounts** - A copy of your organisation's most recent accounts. If you have been running for over one year, we would expect to see a full set of accounts showing a breakdown of your annual income, expenditure and carry-forward balance. If you are a new group (less than twelve months old), a recent bank statement

plus an annual budget/cash flow forecast showing estimated income and expenditure is acceptable. These documents should be signed by your treasurer. If your organisation doesn't have a bank account, please provide a description of your fund management.

- **Permissions** – if your project requires a landowner's or landlord's permission, you should produce a letter from them to that effect. You should also provide documentation to show that planning permission has been obtained and is still valid, if required.
- **Plans and photographs** – if your project involves an element of development, you should provide a location plan, photographs of the site as it is and plans/sketches showing what is proposed.
- **Costs, Quotes and Value for money** – you should provide evidence to support the amount of money you've applied for. This should demonstrate that the project provides value for money. You should supply multiple quotes where possible and the reasoning behind the selected quote, it doesn't have to be the cheapest, but you must explain the decision.

12. What happens once a decision has been made?

Offer or refusal notification will be sent out following the next FCC meeting. Should you need to request a change of use for any award made, you must submit your request in writing before committing or redirecting any funds.

13. Appeals

If you feel that an application has been rejected unfairly you can ask that the decision be reviewed. You must make this request within 28 days of receiving your refusal letter. If FCC receive an appeal it may ask an independent arbiter to review the decision-making process and ensure that the process has been followed correctly and fairly. This review process will not result in funds being re-allocated. You may have to re-apply. Any deficiencies in the process or its implementation identified during the review will be addressed prior to opening the next round of applications.

14. What are my responsibilities?

Successful applicants must report back to Feughside Community Council upon completion of the project or within twelve months, whichever is sooner. It is important that they can demonstrate the benefit to the Community that has been achieved through receiving these funds and FCC may use this report in their publicity e.g. on their website.

It is important that projects are completed within the required timescale and that this is demonstrated using the criteria presented in your application. If this is not done, it jeopardises future funding availability for others, as well as for your organisation.

15. Publicity

Any public references with regards to the project should refer to the funding source by stating either 'made possible by the Feughside Community Benefit Fund' or 'part funded by the Feughside Community Benefit Fund'.

16. Who to contact?

Application Forms can be downloaded from:

<http://marrareapartnership.org.uk>

or obtained by emailing

Midhill.secretary@gmail.com

Frequently asked questions

- **Why is the Mid Hill community benefit being administered by Feughside Community Council?**

Fred Olsen have a policy of only dealing with Community Councils and Community Associations.

- **Why does the application process take so long?**

We have to give organisations reasonable time to prepare their applications. We then need time to consider the applications and make our recommendations to Fred Olsen. Fred Olsen then need time to consider our recommendations and issue funds.

- **Will the process be reviewed?**

The process will be reviewed annually.

- **Why is the Community benefit fund so low at £1,000 per installed MW?**

The agreement with Fred Olsen was put in place some time ago, prior to the current £5K per MW guidelines.

- **What is the cost of applying?**

Applying to the fund is free.

- **Can I apply as an individual?**

We will generally only accept applications from groups (two or more people). This is the first step in ensuring there is wider support for a project. However, individuals are requested to contact the Community Council should they wish to make an application.

- **How often can we apply?**

You can apply each year.

- **Can our group submit more than one application each year?**

You can submit multiple applications each year.

Each application will be assessed on its merits and may or may not be successful each time.