

Mid Hill Wind Farm: Inchmarlo, Brathens & Glassel 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 and the shares of the fund received are:

- Auchenblae & District Community Association (30%)
- Crathes, Drumoak and Durris Community Council (10%)
- Feughside Community Council (FCC – 18.6%)
- Inchmarlo, Brathens & Glassel Community Council (IBGCC – 11.4%)
- Glenbervie & District Community Association (SCIO – 30%)

The fund available was initially £1000 per installed megawatt (MW), per annum in June 2006 and is index linked to inflation. The wind farm currently has a generating capacity of 57.5MW for Phase 1, and 18.4MW for Phase 2, a total of 75.9 MW.

The above amount is split amongst the five community organisations, as determined by MHWL. The allocation to Inchmarlo, Brathens & Glassel Community Council (IBGCC) is in excess of £16,000 available annually to support selected community projects. The other four organisations each manage their own funds. The total amount available each year rises to compensate for inflation.

(Note: Banchory Community Council also receive funds from Mid Hill Wind Limited under a separate arrangement amounting to c £6,000 per annum).

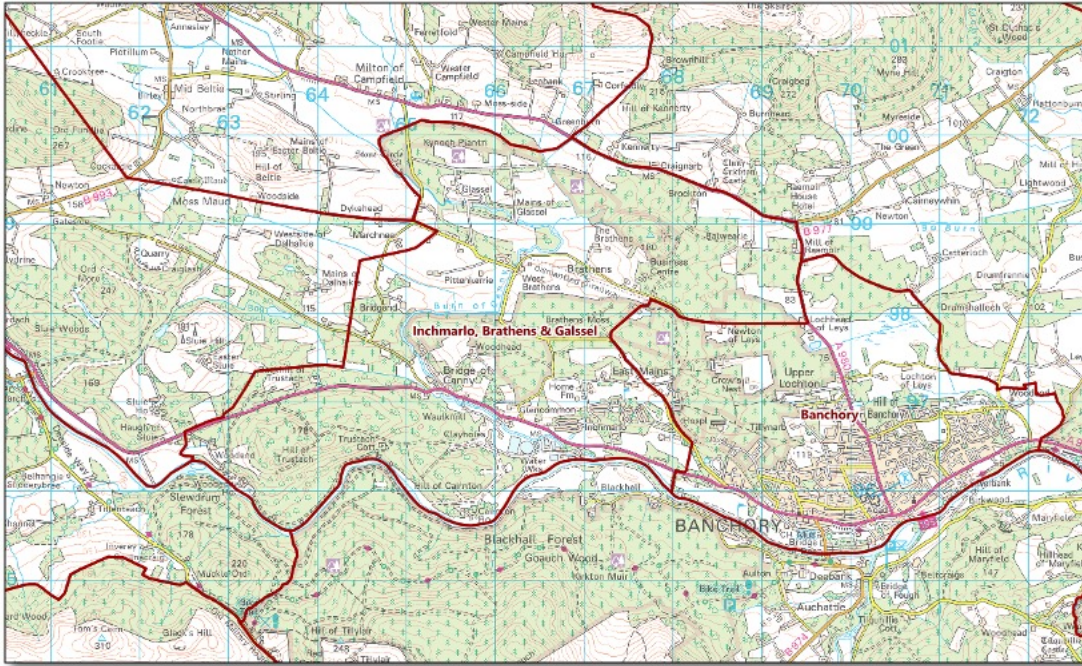
The Community Fund is known as Inchmarlo, Brathens & Glassel Community Fund and applications by organisations requesting funding may be made at any time. However a review of applications will be made two times per annum. A decision on whether to support applications and the amount of funding recommended will be made by IBGCC. 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 IBGCC who will then send on to the applicant/s. The process from application to successful applicants receiving funds can take up to 3 months.

2. Funding Guidelines

Funding from the IBGCC Community Fund is primarily available to organisations within the IBGCC area for the benefit of its inhabitants. However, applications from outside the area can be considered if they offer a clear benefit to inhabitants of the IBGCC area. These Guidelines have been produced to assist those who are applying for such funding.

3. Geographical boundary

The area covered by the Inchmarlo, Brathens and Glassel Community Council is shown in the map below.



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 the following range of areas:

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.

Developing our Community – projects which improve links within the community, bring people together socially, provide activities for a range of ages and interests.

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.

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

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

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

Countryside Access – projects which improve access to the countryside and/or local amenities eg paths and cycle ways.

Land restoration – projects which restore derelict land for community benefit.

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

Community transport – schemes that promote mobility of people within the community.

Communication – schemes which improve communication links for the community (eg newsletters, websites).

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

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.

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

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

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 IBGCC boundaries, unless as noted above they offer a benefit to the inhabitants of the IBGCC area,
- 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, eg projects over £1,000 should have at least 2 different quotes (and at least 3 if applying for more than £10,000). It will help if projects already include revenue from other sources (are already part-funded or match funded).

Legacy: We need to know if your project has a legacy or if it requires ongoing maintenance. If that is the case, tell us about how you plan to sustain this.

7. How long is funding for?

Our grants should be spent within 12 months of receipt. Applicants can apply for funding in a consecutive funding round 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 IBGCC.

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 five 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 in March or October (check closing dates on the IBGCC website) and, provided that it is received at least two weeks in advance, an application will usually be considered at the following meeting of the IBGCC.

Copies of the application forms are available online to interested parties. Two types of application are possible:

- A Short Form Application, with a funding limit of £1000.
- A Long Form Application, for funding applications requesting over £1000. Note that at least two contractor quotes for work done will be required (and at least three if applying for more than £10,000).

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

10. How will funding decisions be made?

The IBGCC Committee will assess the applications and score each application against the criteria listed in Section 4. They will consider the benefit offered by each application, the level of funding required and make recommendations 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 IBGCC Community Council members 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 will be asked to provide:

- **Constitution** - A signed copy of your organisation's governing document, constitution or memorandum and articles of association. In the case of a Short Form application 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 process.
- **Child Protection** - If your organisation works with children or young people (under 19 years), or the activity you are applying for will involve working with children, young people or vulnerable adults, you will need to provide a copy of your child protection policy or vulnerable adult protection policy. If you do not have such a policy, your local Council for Voluntary Service may be able to assist.
- **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 IBGCC meeting at which the application is considered. 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 IBGCC receive an appeal it may ask representatives of one of the other local communities 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 IBGCC 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. The completion report should describe if the objectives of the project have been met and should include full receipts for the expenditure incurred.

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. Press

Any press references with regards to the project should refer to the funding source by stating either 'made possible by the Inchmarlo, Brathens & Glassel Community Fund' or 'part funded by the Inchmarlo, Brathens & Glassel Community Fund'.

16. Who to contact?

Application Forms can be downloaded from the website ibgcc.org or obtained by emailing;

treasurer@ibgcc.org

Completed application forms should be submitted to the above email address.

Frequently asked questions

- **Why is the Mid Hill community fund being administered by Inchmarlo, Brathens & Glassel 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, however the sums are index linked so continue to increase year by year

- **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 constituted groups (two or more people). This is the first step in ensuring there is wider support for a project. However, individuals and non-constituted groups are requested to contact the Community Council should they wish to make an application.

- **How often can we apply?**

You can apply to each funding round which is twice a year, however previous successful awards will be taken into account.