

DORENELL WIND FARM COMMUNITY BENEFIT FUND

Fund Strategy 2024 - 2027

April 2024

1 Purpose of the Fund Strategy

The purpose of the Dorenell Wind Farm Community Benefit Fund Strategy is to guide those making award decisions by setting out the priorities for funding for the next three years, based on a review of the initial three years of grantmaking which was completed in February 2024 and included community consultation on updating the fund priorities from the previous Dorenell Community Development Plan, as well as further criteria or parameters to be applied in distributing the Fund. The strategy also sets out the structure for the Fund and processes by which funding will be made available.

The Fund Strategy seeks to:

- Enable those making award decisions to prioritise proposals for funding and make decisions in a fair and consistent manner;
- Ensure the Fund achieves measurable impact against agreed local priorities;
- Provide for clear messages to applicants and the wider community about what the Fund supports;
- Ensure the funding is accessible to those who are well placed to deliver impact in the Fund area.

The Strategy has been developed by the Dorenell Community Benefit Panel and Forum (the Forum)¹ in conjunction with Foundation Scotland.

The Panel, Forum and the Foundation recognise the need for flexibility in deciding how best to structure a Fund that will continue to be fit for purpose for over 20 years. The Fund Strategy will therefore continue to be regularly reviewed, so as to ensure it continues to meet the evolving needs of the communities. That review will be preceded and informed by an evaluation of the Fund (including fund strategy, impact

¹ The Forum comprises representation from each of the four Community Associations referred to in section 2, and was formed in 2013 to take forward discussions regarding the Funds with DWL.

to-date, and management arrangements) conducted by the fund administrator every three years through a public consultation exercise involving the Community Associations listed under section 2 below. Following the 2024 review, the next review will be due to take place in 2027.

2 Background

Dorenell Wind Farm is owned and operated by Dorenell Windfarm Limited (DWL), which is majority owned by EDF Renewables Holdings Ltd. DWL has agreed to pay an annual sum to the Dorenell Wind Farm Community Benefit Fund ('The Fund') that will benefit the residents of the areas served by the following Community Associations:

- The Cabrach Community Association
- Dufftown and District Community Association
- Glenlivet and Inveravon Community Association
- Glenrinnes Community Centre

The Fund comprises an annual payment, over the life of the wind farm, of £2,000 per MW, to be adjusted by application of the Retail Price Index (RPI) against a baseline date of Oct 2010 in its first year, and with annual payments thereafter based on that figure adjusted by application of the RPI figure for March in each year. In the first year this payment was £446,968.

A separate Special Projects Fund has also been provided by DWL, over the first five years of the life of the Wind Farm. The five payments into this were a percentage of the annual payment to Dorenell Wind Farm Community Benefit Fund in year one as follows: 2019 = 100%; 2020 = 75%; 2021 = 50%; 2022 = 25%; 2023 = 12.5%.

The Special Projects Fund has been invested in a community endowment, with the aim of growing that pot of money so as to enable further funding of local priorities during and/or beyond the lifetime of the Dorenell Wind Farm. Monies realised from that investment may be drawn down for distribution (i.e. into The Fund); likewise, any underspend in the Dorenell Wind Farm Community Benefit Fund may be placed into the community endowment at the Panel's discretion based on a review of the Fund's financial position at the end of each year.

Both the Dorenell Wind Farm Community Benefit Fund and Special Projects Fund are currently administered by Foundation Scotland, an independent grant-making charity, under contract to DWL. Foundation Scotland will enter into a Memorandum of Understanding with the four Community Associations representing residents of the

Fund area, setting out key roles and operational terms in relation to the governance and administration of the Fund, for the current period of 2024 - 2026.

A Community Panel has been established for the Fund consisting of representatives drawn from each Community Association's geographical area of operation. The Panel has 12 members with three from each area. Two representatives are appointed by each Community Association; one further person is appointed from the wider community through an open recruitment process.

The purpose of the Panel is to advise the Foundation on the use of the Funds in line with MOU, and all related strategic funding decisions, including awards; any changes to the Fund Strategy (that do not contravene the MoU), and; investment of monies from the Fund into the Community Endowment. Also, to support promotion of the Funds within the Fund Area.

3 Fund Purpose and Priorities

3.1 Strategic Themes and Priorities

In 2017, STAR Development were commissioned to conduct a consultation exercise in all four communities set to benefit from the Fund, and produced a [Community Development Plan](#), including a vision for the fund and a list of themes, priorities and indicative projects.

The vision put forward through the Community Development Plan for 2018-2023 is for an area which is:

- Well connected and not so isolated
- A good and sustainable place to live in for all age groups
- An attractive and welcoming place to visit and stay
- A wonderful and accessible environment and heritage
- A thriving economy with opportunities for training, employment and enterprise.

In 2023/24, an external evaluation process was carried out after three years of grant making, to consider the impact of funding to date and to refresh the fund priorities based on more recent community consultation and feedback. A full copy of the fund review report is available [[link here](#)].

As a result an updated list of priorities and projects has been developed, based on essentially the same five themes from 2018, which still remain relevant.

Theme	Priorities
1: Environment and Heritage	Walking and cycling networks Museum, visitor and heritage centres Preservation and enhancement of landscape, culture and heritage Village and town enhancement
2: Community and recreational facilities, groups and activities	Community halls Recreation facilities Opportunities and facilities for young people Support for community development Emergencies, crises and resilience
3: Local economy	Enterprise and community led economic development Access to ICT Tourist facilities, events and promotion Training and skills
4: Housing and sustainable development	Housing Supporting the transition to net zero
5: Transport and access to services	Transport Childcare Support for vulnerable children and families Older people

The Fund will primarily support activities under these five themes and the priorities identified alongside them for the next 3-year period. Proposals that fall outside the listed priorities but still meet with the strategic themes may be funded, where there is evidence of need and community support.

The themes and their ongoing relevance will continue to be reviewed on a regular basis.

3.2 Cross Cutting Themes

Beyond the above strategic themes, applicants are required to show how they meet (or have considered) the following 'cross-cutting themes', in an appropriate and proportionate way relative to their project. Not all of these will be relevant to every application. However, it is suggested that where they can be integrated into project plans / delivery this can increase the impact of investment from the Fund. In addition, gathering evidence of how these issues have been taken into consideration may help the Fund Panel prioritise proposals where there is competition for funding.

Updated Cross-Cutting themes
Community Wealth Building: The project builds, retains and recirculates wealth in the local economy by investing in community owned assets, using local suppliers and/or creating high quality employment
Partnership and participation: The project is designed, developed, delivered and evaluated using an approach which engages with the community and encourages collaboration with other organisations
Sharing learning and building capacity: The project provides opportunities to share learning and build skills with other local people and groups
Environmental sustainability: The project has positive environmental benefits or has considered how best to mitigate harms
Leverage: The project will lever in funding from other sources; or the applicant can demonstrate what other funding has been or is likely to be secured; or what contribution is being made to deliver the project in terms of committing staff/volunteer time and assets
Legacy: The project will have a lasting impact, for example by kickstarting activities which will be financially sustainable in the long term; by bringing about long term systemic change; by preventative (upstream) actions which reduce harm to vulnerable individuals in the long term; or investing in capital assets which will benefit the community beyond the life of the fund

4 Fund Structure including Sub-Fund Allocation

The Fund structure set out below was agreed by the Forum during October and November 2018. It allows for the Fund to be overseen by a single Panel while also making monies available to each of the four communities in equal proportions and a further 'pot' for funding cross-area projects. The arrangement retains a single coherent structure that is most likely to enable the best strategic use of the Fund while also ensuring each of the four communities can benefit on a fair basis.

4.1 Local Sub-Funds

Each of the four communities (Dufftown & District, Glenlivet & Inveravon; Glenrinnies, and; The Cabrach) are allocated 20% of the Fund value annually as their 'allowance'. This money will be ring-fenced (and reported on by Foundation Scotland) as four separate 'local' sub-funds. It can be used to fund local projects – i.e. those developed and delivered by groups or organisations serving that particular community. In addition, where a project is to benefit more than one community, this sub-fund arrangement enables each community that is set to benefit from the project in question to contribute proportionately to a grant award.

Annual payments into the Fund are requested from DWL by Foundation Scotland at the beginning of each Fund year (the anniversary of the date from which fund payments are due to start). Once received, the appropriate amounts are transferred

to each of the sub-funds on FS' fund management system.

Where there is a balance remaining in any of the sub-funds at the end of any Fund year, the money will carry forward to the next year.

Where a local sub-fund becomes depleted, funding towards projects benefitting that community can be 'borrowed' from other community's allocations by their agreement, and on the basis that commensurate funds will be made available to those communities at a later date.

Foundation Scotland will provide information to Panel members prior to Panel meetings flagging up the potential for borrowing requests – this will allow Community Association representatives to consult with their respective Associations prior to Panel meetings as to whether or not any such 'loan' from their area's allocation may be approved. Community Association representatives should therefore be empowered to make decisions on 'loans' at Panel meetings, otherwise the award making process may be unduly delayed. This approval process will be subject to review at the end of the first year of award making.

'Loan' balances are normally to be settled at the start of each Fund year, once the year's Fund payment from DWL has been received. However, those communities lending funds may agree to delay re-payments for a further year, should they wish and should this not impact on the ability of the Fund to support worthwhile projects in their own area.

4.2 Cross-area Sub-Fund

Projects benefitting more than one of the four communities can be funded through the above arrangement.

In addition, the remaining 20% of the Fund will be ring-fenced in a fifth 'sub-fund' for cross-area projects, i.e. those that reasonably benefit all four geographical communities. This sub-fund will be particularly useful in supporting projects that benefit all four communities and where it isn't easy to apportion costs on a per capita basis or according to the number of likely beneficiaries per community. For example, broadband or community transport services.

Should there be a need for grant awards totaling more than is available for cross-area projects in any one year, then the four communities may 'top-up' this cross-area sub fund from their own local sub-funds at their discretion. Similar to the local sub-funds, where there is a balance remaining in the cross-area sub-fund at the end of any Fund year, the money will carry forward to the next year.

This cross-area sub-fund can also be used for any Panel expenses but which are capped at 1% of that Fund in any one year.

4.3 Micro-grants

A grant award will be made available each year to each Community Association for onward disbursement within their area as micro-grants. These may be used to support un-constituted groups and/or individuals undertaking charitable activity, as well as constituted groups. The Memorandum of Understanding between Foundation Scotland and the Community Associations caps the total available for micro-grant awards at 5% of the Fund donation in that year, i.e. 1.25% for each of the four communities, and which would come from each local sub-fund.

More information on micro-grants is provided below (section 5.1).

5 Fund Distribution Methods

Funding will be made available via the methods as set out below.

5.1 Micro-grants scheme

Micro-grants will be administered directly by the four Community Associations. This scheme enables awards directly to individuals, un-constituted groups and constituted organisations, up to a maximum of £1,000 per award.

Applications for micro-grants will be by letter or basic application form depending on what each local awarding body decides. Frequency of award making will also be at the discretion of the relevant Community Association.

Each Community Association will report annually on their micro-grant expenditure to the Panel via Foundation Scotland, demonstrating how these monies are being spent on charitable activities, before receiving the next year's payments. Annual reports will be shared with the panel.

A Community Association can apply for a micro-grant to support its own discrete activities. However, it is expected that micro-grants will be open to applicants from the wider community and widely promoted as such.

Micro-grants will not support a group's regular running costs year-on-year.

5.2 Main grants programme

The majority of the monies will be allocated through open grant making, with advertised funding rounds which are widely promoted across the Fund area.

Application will be made through Foundation Scotland, who will provide support to applicants pre-submission. The Foundation will then assess each application on its merits, covering: organisational competence; need or opportunity for the project (including community support); adequacy of project planning; likely impact; fit with the Fund themes and priorities, and; any recommended conditions of award.

Decisions on main grants and commissioning will be made by the Fund Panel. The Panel will meet approximately 7 to 8 weeks after each application deadline to make decisions on awards.

The minimum award will be £1,000 (being the upper limit of the micro-grants) and the maximum will normally be £30,000. However, applications for more than £30,000 will be considered on a case by case basis for strategic projects which demonstrate significant community benefit, and for ongoing staff posts. Where a job role is of an ongoing nature, applicants are encouraged to apply for support for a sufficiently long period to attract and retain suitably qualified and experienced staff.

Strategic awards are large, multi-year projects designed to bring about transformational change in the fund area, and in line with the fund priorities. There is no maximum application amount, however, applicant organisations need to be cognisant of the annual fund allocation to each area. This option will be promoted widely with applicants expected to contact the fund adviser for advice before applying.

There will continue to be three rounds of open grant making per year.

There is no limit on the number of applications that any one organisation/ group can make to the main grants programme; however there is preference to ensure the Fund benefits as many organisations and individuals as possible, where applications forthcoming are of sufficient quality, so as to spread the benefits. Should an applicant submit more than one application in any round they will be asked to notify Foundation Scotland of their priority order during the assessment stage.

Grants may be awarded covering more than one year. This is called a 'multi-year' grant. Multi-year grants will usually be provided for up to three years but in some cases may be for a longer period. Those applying for multi-year awards are required to provide an annual monitoring report detailing progress against objectives and expenditure in the year which will be reviewed by the panel.

5.3 Commissioning (open or closed)

This approach may be used when there is clear evidence of need for a project or service but no applications that address that need are forthcoming to the above grant making programmes. For example, local broadband provision or community transport. Commissioning may also be used to fund research or scoping studies that will help to shape future Fund priorities and/or inform further commissioning of projects or services.

The approach involves the Panel working with relevant local stakeholders to draw up a specification for the service with clear outcomes and related targets to be met. A competitive selection process will then be run, inviting proposals in response to the specification and resulting in appointment of a preferred bidder against agreed selection criteria (open commissioning).

Alternatively, there may be just one local organisation that is well placed to deliver the commission. In that case, a bid for funding may be encouraged from that organisation directly (closed commissioning). Identification of the selected organisation may come about in various ways, for example the organisation may have made an approach to the Panel, Foundation Scotland or one of the four Community Associations, or local individuals or groups may have approached the organisation to ask if they would be willing to provide the service in question. Whatever the case, there should be some consensus amongst key local stakeholders that the service or project is required and that the organisation in question is best placed to provide it. Where there are other local organisations that may consider themselves well placed to deliver, the open commissioning approach outlined above will be more suitable (or those organisations may be encouraged to form a consortium, if appropriate).

There must be a binding agreement with the selected service provider, setting out how they will deliver the service or project, at what cost, and over what timescale. In some instances the Foundation may be the commissioning body on behalf of the Community Panel or in other instances it may be more appropriate for a suitable local organisation to undertake this and, related, manage the funding allocated from the Fund.

Payments will be tied to the achievement of agreed outcomes and targets. Regular reporting and reviews are therefore key, to check that the agreed activity is being delivered well, achieving impact, and that it is still a priority locally if the aim is for the commission to run over a number of years.

5.4 Repayable Grants

Awards can be made on the basis of being repayable as an interest free loan, where cashflow limitations are impeding the delivery of a project. An agreement would be drawn up between the awardee and the fund administrator outlining the repayment plan and any such arrangements should be reported on regularly to the panel and via annual reports, in terms of fund balances. Applications for repayable grants will be on a case by case basis. The fund does not formally operate as a lender and systems are not in place to manage a significant portfolio of loans.

5.5 Emergency Awards

The panel can agree to make awards outside normal grant cycles in the event of an emergency or unexpected occurrences severely impacting on the communities in the fund area.

6 Eligibility

6.1 Applicants

The main grants programme will be open primarily to **community organisations and registered charities**. To be eligible to apply they must:

- Have a constitution (governing document or set of rules)
- Be set up on a not-for-profit basis and have charitable purposes. However, applicants do not need to be registered charities to apply.
- Provide their latest set of accounts that have been independently inspected and signed as such, unless they are newly established (less than 15 months old).

The Fund **will not support organisations or groups with unduly restrictive membership criteria**. This means that:

- membership criteria should not exclude any individual on the basis of age, disability, race, religion or belief, pregnancy and maternity, marriage and civil partnership, sex, sexual orientation or gender reassignment (known as “protected characteristics” under the Equalities Act 2010), unless this can be justified as follows.
- Where an organisation restricts membership to people who share one or more of the protected characteristics (e.g. by gender), the Panel will consider an application for funding only if it is clear that excluding other individuals is

objectively justified, or is done to prevent or compensate for disadvantage linked to the protected characteristic. For example, it may be justifiable to have membership and/or access to a service restricted to women only if a mixed gender environment would act as a barrier to their participation, or to restrict membership to parents / carers of children accessing a service if unrestricted membership could pose a risk to children.

In addition to community organisations and registered charities, **statutory authorities** may apply for funding towards non-statutory projects / services and where the project will add value to existing or planned provision in the Fund area. There must be evidence of matched funding from the statutory authority and of close partnership working with local community organisations / groups – in a way that builds their capacity. Where feasible, the preference is however to provide a grant to a community body for any such project / service, which would then work in partnership with the statutory body.

Consideration will also be given to applications from **private businesses**, on a case-by-case basis, for funding toward projects benefitting the wider community. Such applications must be for discrete projects that are charitable in purpose (i.e. not for regular running costs), that the business is unable to finance itself, and where any private gain is incidental and clearly outweighed by public benefit. Where appropriate, private businesses should seek to work in partnership with local groups and should seek to provide match funding.

6.2 Activities

Awards can support a wide range of costs and activities including equipment costs, staff or sessional worker costs, consultations and feasibility studies, maintenance or refurbishment of community facilities, and so on. Activities funded must be consistent with recognised charitable purposes as set out in the Charities and Trustee Investments (2005) Act Scotland².

Awards cannot support the following types of activity:

- The advancement of religion or politics (including requests to support the core activities of religious or political groups).
- Activities that are deemed the statutory responsibility of statutory authorities.
- Grants to individuals (excluding micro-grant schemes which may award grants to individuals to implement projects of benefit to the community).
- Projects benefiting primarily those residents out with the area of benefit.

² See <https://www.oscr.org.uk/guidance-and-forms/meeting-the-charity-test-guidance>

- Activities likely to bring the Community Associations, Foundation Scotland, the Community Panel or Dorenell Wind Farm Ltd or any companies in its group into disrepute;
- Anti-renewable energy/anti-windfarm activities;
- Activities contrary to coal powered energy, gas powered energy, renewable energy, nuclear energy, battery storage, solar powered energy, energy trading, consumer and business provision of electricity or similar activities;
- Costs already incurred or activities that will take place before we have made a decision on an application (retrospective funding).
- The repayment of loans or payment of debts.

Activities of religious organisations or groups connected with them:

The Fund will not support activity that promotes the advancement of religion. However, it *can* make grants to religious organisations for non-religious activity that benefits the wider community without excluding anyone on religious grounds. For example, it can fund improvements to a hall owned by a church and accessed by various groups beyond the organisation's own specific congregation alone, and where religious affiliation or practice does not present a barrier to groups wishing to use the facilities. The service or facility in question should be widely promoted to other groups (non-religious or of other religious affiliation) and/ or already accessed by these.

The Fund will not normally make grants towards the construction, alteration or restoration of buildings or associated features whose primary purpose is worship, e.g. replacement of stained-glass windows in churches. An exception may be made where there is significant heritage or other community benefit to doing so, such as improvement to the visual appearance of the area and its tourism potential.

Activity that is deemed a statutory responsibility:

Determining whether applications are additional to statutory provision can be difficult, whether funding is sought by either statutory authorities (such as local authorities, schools, health or emergency services) or by a community group. The fulfilment of statutory duties (as set out in legislation) cannot be funded; however activities that are provided under discretionary powers of statutory bodies may be. As part of the assessment process, Foundation Scotland will consider on a case-by-case basis whether any proposed project is additional to the fulfilment of statutory responsibilities and will report on their findings in the assessment report that is provided to the Panel.

Activities restricted to specific groups:

Applicants should be working in an inclusive way, in line with equalities legislation, and be able to demonstrate that they are doing so. This means that:

- Access to their activities or services should not exclude beneficiaries on the grounds of age, disability, race, religion or belief, pregnancy and maternity, marriage and civil partnership, sex, sexual orientation or gender reassignment (known as “protected characteristics” under the Equalities Act 2010) unless this can be justified (as follows).
- Where an organisation restricts access to its services or activities to people who share one or more of the protected characteristics (e.g. by gender), the Panel will consider an application for funding only if it is clear that excluding other individuals is objectively justified, or is done to prevent or compensate for disadvantage linked to the protected characteristic. For example, it may be justifiable to have membership and/or access to a service restricted to women only if a mixed gender environment would act as a barrier to their participation, or to restrict membership to parents / carers of children accessing a service if unrestricted membership could pose a risk to children.
- Applicant groups should seek to remove any barrier to participation as far as possible, and it should be possible for anyone in the intended beneficiary group to find out about the activity or service. It should be widely promoted within the community or specific interest group for which it is intended. Potential further barriers that should be considered may be physical (e.g. accessibility of the venue); financial (e.g. relating to any charge or transport costs); geographical (relating to transport availability / journey time); psychological (e.g. to do with confidentiality); cultural, language or literacy barriers.

Activity that takes place outwith the Fund area of benefit, but which nonetheless benefits those living within it:

It is acknowledged that those living in the Fund area do make use of facilities and services outwith the area. Organisations providing services or activities outwith the Fund area may therefore apply where they can demonstrate that the service or activity in question does (or will) clearly benefit people living in the Fund area. Panel may wish to support all or part of the project costs (e.g. the proportion of project costs that represent the proportion of beneficiaries from the Fund area), to be decided on a case-by-case basis. Applicants are expected to have systems in place to allow them to identify and report the number beneficiaries from the Fund area.

7 Evaluation and Review

Evaluation of funded activity is important to show how the Fund is making a difference and so that the Panel, Fund Administrator and other stakeholders learn lessons for the future, informing Fund reviews.

All funded projects will be required to submit a completion report to Foundation Scotland identifying the project's impact. Multi-year projects will also have to submit regular monitoring returns - at least annually and sometimes more frequently depending on their size.

Awards will be categorised according to which of the Dorenell Community Development Plan themes they contribute towards. In addition, Foundation Scotland has adopted an impact framework which is used to assign funded projects to one of six impact categories. Each category has a set of outcomes associated with it, designed to capture evidence of impacts. Projects are also categorised against Sustainable Development Goals and upstream/downstream approaches.

Foundation Scotland will produce an annual report showing projects funded, broken down by geographical area (the four communities, plus multiple-area awards), the updated Dorenell Community Development Plan themes/priorities, and Foundation Scotland's impact categories. The report will also contain a selection of case studies which demonstrate in more detail the impacts of some of the award(s) made and any lessons learned.

A review of the Fund will be conducted in 2027 after a further three years of operation. This process will include public consultation within the four communities and will involve the Community Associations. It will consider the Fund's impact and priorities, distribution arrangements, and Fund administration including the performance of the Panel and Foundation Scotland. A report on the consultation findings will be prepared for the Panel's consideration, and they will input to any recommendations on the way forward. The final report (agreed by the Panel) will then be sent to EDF Renewables.

8 Communications

A successful Fund requires clear and ongoing communication, for example about what projects or services can be supported, how to apply, how much funding is available, what projects or services have been supported, and the impact of those.

Information on the Fund will be made available via a dedicated set of webpages on the Foundation Scotland website and through promotional material distributed locally. The webpages will also provide information on the available funds within each of the five sub-funds. This will be updated following each award making round.

Foundation Scotland will offer regular surgeries for prospective applicants, across the four communities and at existing local events where appropriate / feasible.

A Fund newsletter will be produced at least annually providing information about the Fund and sent out to all local groups. Regular fund updates will be submitted to existing local newsletters (Speirins and Thistledown, when available) with information on all grants awarded and any other fund updates, including details of how to apply and how to get support.

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