

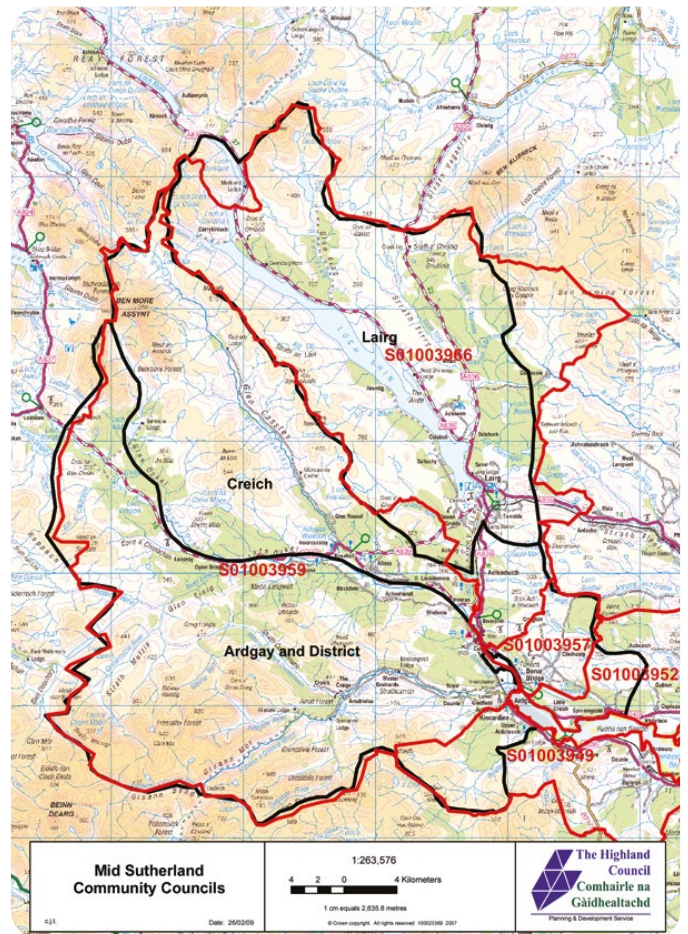
# CARES CASE STUDY



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## E.ON ROSEHALL COMMUNITY FUND AND SSE ACHANY COMMUNITY FUND

This case study looks at arrangements for two community benefit funds supporting activity in three communities in central Sutherland: Lairg, Creich, and Ardgay and District. The funds have provided a significant platform for community-led regeneration in an area that was at risk of economic and social decline.



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**Fund name:** E.ON Rosehall Community Fund

**Fund donor:** E.ON Climate & Renewables UK Developments Limited

**Related renewable energy scheme:** Rosehall Wind Farm, 24.7 MW installed capacity

**Technology:** Onshore wind

**Fund value:** £2,500 per MW per year installed, totalling £61,750 per year (index linked) for the operational lifetime of the wind farm

**Year of fund commencement:** 2012

**Fund area of benefit:** The community council areas of Lairg, Criech, and Ardgay and District

**Fund administrator:** Foundation Scotland

**Fund name:** SSE Achany Community Fund

**Fund donor:** Scottish and Southern Electricity Renewables (SSE)

**Related renewable energy scheme:** Achany Wind Farm, 38MW installed capacity

**Technology:** Onshore wind

**Fund value:** £2,000 per MW per year installed, totalling £76,000 per year (index linked) for the operational lifetime of the wind farm, plus a fixed donation of £19,000 per year to run an apprenticeship scheme (which replaced a Variable Payment of up to 2.5% of any Recycling Payments per Renewables Obligation Certificate (ROC) generated by the Wind Farm during each Obligation Period).

**Year of fund commencement:** 2010

**Fund area of benefit:** The community council areas of Lairg, Criech, and Ardgay and District

**Fund administrator:** SSE Renewables

## BACKGROUND

Located in central Sutherland, the three communities of Lairg, Creich and Arday and District comprise an area of 680 square miles and with a total population of around 2,500. Creich, and Ardgay and District form the Kyle of Sutherland, with Lairg located further inland. Because of their rural nature, and exacerbated by the Dornoch Bridge's opening that reduced traffic passing through the area, the communities face economic fragility and a loss of population through out-migration – especially of young people – as well as low incomes, seasonal unemployment, and poor access to services.

However, the area has a range of natural and cultural assets; it is especially scenic with rich and diverse habitats, a fascinating history, and archaeological remains. The communities share some services that reach across community council boundaries, feature high levels of volunteer commitment, and pull together to get things done. This is evident in their response to the introduction of community benefit funds linked to wind farms in the area, including the cohesive approach to fund arrangements and the investment in local 'anchor' organisations that are now pivotal to the delivery of a range of outcomes for the area, as set out in this case study.

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## FUND ARRANGEMENTS

The three communities receive income from several community benefit funds, primarily linked to onshore wind farms. This case study focusses on arrangements for two of these; E.ON's Rosehall Community Fund and SSE's Achany Fund. These are comprised as follows:

- The Achany Fund was established in February 2010 based on £2,500 per MW and rising in line with Retail Price Index. The initial annual donation was £76,000 which had increased to over £114,000 by 2019. This is also apportioned equally between each of the three community council areas. Grants are available in two sizes: from £2,000 to £10,000 and awards of over £10,000 for larger projects.
- Rosehall Community Fund, established in August 2012, based on £2,500 per MW, rising in line with the Retail Price Index. The first year's donation was £61,000 per year and by 2019 it was £74,000. This fund is apportioned equally between the three community council areas, providing each with its own pot or sub-fund from which community activities can be supported. Grants are available from £250 to £25,000; grants of more than this may be made where significant benefit can be evidenced.
- Originally financed through an annual variable payment linked to the Achany Fund (and dependent on the performance of the wind farm), Kyle of Sutherland Apprenticeship

Scheme provides awards to help with costs involved in business support, travel accommodation and training of an apprentice. The maximum amount of financial support to any business in total is up to £12,000. In 2018, the variable sum was replaced by a fixed donation of £19,000 each year.

The two main funds support a broad range of community activity and development by funding the charitable activities of constituted, not-for-profit groups working to benefit residents within the area. The funds invest in activities and initiatives that help build a vibrant local economy, support and encourage thriving communities and make the area an attractive place to live, work and visit for people of all ages.

In 2009, SSE commissioned Foundation Scotland to undertake a community profiling exercise that involved local consultations on the communities' current socio-economic circumstances and their priorities for development. This work resulted in a set of outcomes that were adopted for the Achany Fund, which Foundation Scotland established and initially administered on behalf of SSE. When E.ON later sought assistance with the set up and administration of its Rosehall Fund, Foundation Scotland brokered agreement between the two corporations that the panel of local representatives established to support the distribution of the Achany Fund would be shared, providing a single local forum for decision making over both funds. The panel then became known locally as the 'SSE & E.ON Community Funds Panel' and its role and benefits are described further below.

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The profiling work resulted in a comprehensive set of outcomes reflecting key needs and opportunities within the three communities and adopted by both funds. The outcomes are periodically reviewed to ensure they reflect any changes in local circumstances.

The outcomes for the Achany and Rosehall Funds are:

- Strengthen, sustain, and diversify the local economy through the development of established or emerging sectors.
- Encourage entrepreneurship and innovation in the local community with a view to stimulating economic and social growth.
- Increase community benefit through the acquisition, development and use of new community assets and maintain and enhance existing ones.
- Support measures designed to improve life chances and/or quality of life.
- Optimise local resources and assets through support for coordinated community activity.
- Support environmental improvements which give physical social or educational benefit.

- Support energy conservation and increased use of renewables through the promotion of energy efficiency and sustainability within the area.
- Respond to unforeseen circumstances or opportunities that are in keeping with the broad fund outcomes identified above.

As of 2020 the Rosehall Fund continues to be held and administered on behalf of E.ON by Foundation Scotland. The Achany Fund is now held and administered by SSE through its Community Investment Team. Applications to the Kyle of Sutherland Apprenticeship Scheme are administered by Lairg Learning Centre on behalf of SSE, with the funding for the scheme held, and awards paid, by SSE. While these various organisations each separately receive and process applications to the fund they administer, decisions on awards from the three funds continue to be made by the single community panel.

Applications for grants from both the Rosehall and Achany Funds for the same project (i.e. for co-funding) are accepted. However, applicants are encouraged to raise a contribution towards their project from other sources. Those seeking more than 85% of project costs across both funds will only be considered in exceptional circumstances.

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## THE SINGLE COMMUNITY PANEL – AND ITS BENEFITS

Decisions on awards from the funds are made by a single panel, representing all three communities. This comprises 12 people; four representatives from each of the three community council areas, with two of these nominated from the respective community council and two from the wider community. The arrangement has worked well over the years and several community projects have been made possible through partnership working across the communities, enabled in many ways by the panel arrangement.

In addition to advising on awards made from the funds, the panel also has an important role in reviewing and adjusting the distribution strategy for each fund, including, for example, maximum award levels and award criteria. This is especially important as the communities' needs, opportunities, and capacity evolve. The panel also plays a role in promoting the fund locally, encouraging applications and feeding back to the communities on the impact of the funds.

The single panel arrangement brings several advantages:

- The communities do not need to source further volunteers to set up separate panels to oversee each fund individually, thereby reducing the volunteer burden in the communities.
- Regardless of which fund administrator an application is received by, the panel can make awards from whichever fund has the highest available balance, should one fund be lacking in available monies at any point.

- The involvement of representatives from the three neighbouring communities enables a more strategic overview of local projects and services in development, and in many cases a more efficient and effective use of funding, including the encouragement of partnership working or service expansion across the communities.
- An arrangement also exists whereby, should panel members from one community wish to make awards that total more than is available in their respective 'pot', that community may 'borrow' sufficient funds from one of the other communities, should those panel members be willing. The equivalent funds are then returned to the lending community's 'pot' once the subsequent year's donation to the relevant fund comes in. For clarity, monies are not 'loaned' between the SSE Achany and E.ON Rosehall Funds.

David Hannah, Panel Member, said: "The Panel arrangement is important to the wider communities of Ardgay, Bonar Bridge and Lairg; three different and separate villages are working together, equally represented on the panel to manage the dispersal of funds from two wind farm companies to our communities working in partnership.

"As a result of being able to access this community benefit, we have been able to establish an apprenticeship scheme with many of our local small businesses. Through this we have ensured some local employment opportunities for our school leavers, enabling them to stay at home and give a level of sustainability for the future."

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## KEY ACHIEVEMENTS

In the seven years from August 2012 to March 2020, the Rosehall Fund distributed £486,892, comprising 65 awards, towards a wide range of projects. For example:

- Village hall improvements including roof repairs, fire door installations, toilet upgrades and improved car parks
- Tourism initiatives such as re-development of Falls of Shin Visitor Centre and production of a visitor map
- Health and social care initiatives, such as a new footcare advice service
- Improvements to local sports clubs such as a new mower for Lairg Football Club and training for Lairg Sailing Club
- Extra-curricular trips for local school children and polytunnel installations at schools.

By 2020, its tenth year, the Achany Fund had distributed a total of £1,266,033 through 129 grants. These were made towards a wide range of projects, including:

- Commissioning and distribution of popular community magazine The Kyle of Sutherland Chronicle
- Science workshops for local primary schools

- Equipment purchases for local sports clubs
- Survey work and related capital improvements to Lairg Community Centre.

Significantly, the advent of the two funds catalysed the Creich and Ardgay communities to establish a local 'anchor' organisation: Kyle of Sutherland Development Trust. Prior to this, the Lairg community had already begun setting up an anchor organisation, Lairg and District Community Initiatives. These two bodies have gone on to deliver a significant range of services and activities benefiting local people.

The Kyle of Sutherland Development Trust employs 13 people (2020) and has undertaken a range of award winning project including the redevelopment of the Falls of Shin Visitor Attractions after they were destroyed by fire, the redevelopment of an abandoned and unsightly hotel in the middle of Ardgay into affordable housing and office space, and taking the local post office into community ownership so that the service was not lost to the community. Other projects include a community café and an energy advice service, and a superfast broadband proposal for the area is being developed.

David Watson, Manager at Kyle of Sutherland Development Trust, said: "My feeling is that having the joint panel gives greater flexibility and avoids duplication of effort. The funders work together to ensure the best outcomes for applicants and the advice and guidance of the Foundation Scotland and SSE staff is greatly appreciated.

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“The joint panel also creates a much more strategic decision-making process, this will be essential as we all have to work together to ensure the future sustainability of the fragile communities that we serve and call home. The fact that the staff and volunteers who oversee and administer the funds have an intimate knowledge of the area means that decisions are made with a real understanding of community needs and aspirations.”

Lairg and District Community Initiative employs a Development Officer. Early projects included the installation of landing lights for use by the Scottish Air Ambulance, improving safety should an air ambulance be needed, and seating and public art in the community woodland which have helped to make the woodland a pleasant and welcoming walk for local people and visitors. Community clean-up days along with the annual ‘Winterfest’ enable local people to get out and meet their neighbours while improving the local environment and celebrating local culture.

Projects in development include a walkway from the village to the train station that will offer a far safer option than the current walk on a busy main road. A housing partnership project is also envisaged, which will see the building of a new scheme for the elderly, who would otherwise have to move out of the community to find suitable housing.

Kaye Hurrion, Chairperson of Lairg and District Community Initiatives, said: “I find it comforting to know that our grant applications are being considered by a panel of local people, who really understand who we are and what we are trying to achieve for our community, rather than a panel

that is more distant from our community. I also find the application process so straightforward, and if I get stuck there is someone at one of the fund administrative bodies on the other end of the phone to help me”.

The development of these anchor bodies has enabled the community to deliver on community priorities, lever in funding from a wide range of other sources, and significantly grow community capacity. Both have received extensive support from the Rosehall and Achany funds as well as from the wider community.

The story of the Rosehall and Achany funds, and the single panel that oversees them, demonstrates the very positive impact that can be achieved for and by communities where they are able to work together to manage common resources.

#### For more information:

[E.ON Rosehall Community Fund](#)

[SSE Achany Fund and Kyle of Sutherland Apprenticeship Scheme](#)

[Kyle of Sutherland Development Trust](#)

[Lairg and District Community Initiative](#)

#### For more information:

To find out more about community benefits from renewable energy projects, visit [localenergy.scot/community-benefits](https://localenergy.scot/community-benefits)

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## ANNEX: EXAMPLES OF FUNDED INITIATIVES



A children's party held in the new space at the Bradbury Centre for children from Bonar Bridge nursery and primary school (Primary 1).

### BRADBURY CENTRE

The Bradbury Centre in Bonar Bridge provides a lunch club and Community Health and Well-being Hub for the over 60s. Both Rosehall Community Fund and Achany Fund contributed to expansion of the centre's premises from planning to build, including an award to allow the centre's activities to temporarily relocate while the capital works were undertaken so that services could continue as usual.

Lorraine Askew, Centre Manager said: "Now that we have the extension, this allows us to have children down at the centre where there is lots of room for them to join in with activities. We are very fortunate to have the E.ON Rosehall Community Fund where we can apply for funds to help us provide aspects our service; we first used the fund when we bought our bus – a grant enabled us to employ a driver until the bus service became sustainable. Over the years we have been helped on a variety of projects such as the new extension, allowing us to provide our service to more people in our community."

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## EAST AND CENTRAL SUTHERLAND CITIZENS ADVICE BUREAU LTD

In January 2018, East and Central Sutherland Citizens Advice Bureau Ltd was awarded £30,000 from the E.ON Rosehall Community Fund to contribute to the salary of a part time adviser and the delivery of outreach advice clinics and home visits in the three communities over three years.

An award had also been made from the SSE Achany Fund to the group in 2011 for £5,004 to provide similar outreach clinics. The learning from that award, and feedback provided to the Panel, showed that the CAB advisors help some of the poorest and most vulnerable people in the community improve their quality of life by maximising their income through claiming the welfare benefits they are entitled to. In the first six months the service helped achieve a total financial gain for residents of £84,425. This positive feedback paved the way for a much larger award in 2018 which would ensure the service could continue to deliver for a three-year period. Related, the EON and SSE Community Funds Panel gained confidence about supporting a regional level organisation (with affiliation to a national umbrella body) which could bring significant and targeted expertise to the area.

Between March 2018 and March 2020, 563 people had benefitted directly from this project, with around three people attending each clinic and additional people being seen in their own homes. Clinics are ongoing and anyone can contact East Sutherland CAB for information on drop-in advice sessions.



Pat, ESCAB Energy Adviser, presented a session in Central Sutherland as part of the Big Energy Savings Week Campaign in 2019.

Interim Bureau Manager Rachel Sutherland said: "This grant has allowed us to provide a service to clients in remote and rural communities and help them get the help they need either at home, or close to home. The length of this funding award has allowed us to build learning each year about the needs of the communities and how best to meet these needs."

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