

Vattenfall Unlock our Future Fund



Year 2, 1 October 2019 to 30 September 2020



Overview

- The Unlock our Future Fund supports projects in Aberdeen and Aberdeenshire contributing towards a climate smart future.
- In year two of the Fund, 12 awards were made totalling £124,276. This brings the cumulative amount of funding awarded over the first two years to £237,779.
- 99.98% of the Funds available for distribution (excluding Funds ringfenced for the Blackdog community) have been committed.
- Many of the projects awarded Funding in year one have faced delays due to the Covid-19 pandemic. However, all are now underway.
- A survey and Fund review took place in late 2020. This will inform the Fund Strategy in future years. Among the changes for 2021 will be the introduction of a streamlined process for small grants (less than £2,000).

Introduction

The Unlock our Future Fund is a community benefit fund provided by the European Offshore Wind Deployment Centre, which is owned and operated by Aberdeen Offshore Wind Farm Limited, a subsidiary of Vattenfall.

The Fund benefits projects focused on environmental sustainability and taking place within the boundaries of the local authority areas of Aberdeenshire and /or the City of Aberdeen.

Vattenfall contributes £150,000 per annum to the Fund (as at 2019), tracking the Retail Price Index, for the life of the wind farm, which is expected to be at least 20 years. This sum is inclusive of contributions to the Fund administrator's costs.

The Fund is administered by Foundation Scotland, an independent grant-making charity.

The Fund makes grants of between £500 and £15,000 for activity in any one year, with the added possibility of grants up to £30,000 for projects taking place over three years.

The overall purpose of the Fund is to support charitable activity that addresses the following priorities:

- contribute to a **climate smarter world** with sustainability at its core
- invest in **community facilities and activities** that are fit for the future and are environmentally sustainable, especially community spaces and transport
- support projects which are **innovative** in their delivery
- ensure a **legacy** (lasting impact) which brings clear benefit to the local community

Grant applications must meet **all four** of these priorities.

The priorities were informed by an independent consultation which took place in 2017.

In addition, a number of cross cutting themes are taken into account by the decision making Panel when deciding which applications to support. These are:

- Local procurement;
- Strengthening community partnerships;
- Capacity building locally;
- Focus on future generations and untapping local potential;
- Match funding;
- Enhancing quality of life for all.

The Fund Strategy (available from the Foundation Scotland website) provides a fuller description of the Fund priorities and cross cutting themes.

The sum of £15,000 per annum (10% of the Fund) has been set aside for project activity meeting the Fund priorities in Blackdog, the community hosting the substation for the wind farm. This sum also increases in line with the Retail Price Index.

Financial Statement

1 January 2019 to 30 September 2020

Income

Year 1 Vattenfall	£150,000.00
Year 2 Vattenfall	£155,117.31
Interest	£45.63
Total income	£305,162.96

Expenditure

Expenditure in period	£191,069.08
Grants to be released	£83,276.14
Year 1 Fund expenses*	£147.50
Year 2 Fund expenses*	£132.57
Total expenditure	£274,625.29

Total funds available at 30 September 2020 £30,537.67

* Venue hire and refreshments for information sessions

£30,472.00 of the available funds at 30 September 2020 represents the allocation ringfenced for project applications from the Blackdog community. No awards to projects based in Blackdog were made in the first two years of the Fund. However, plans are being progressed by the Blackdog Residents Association for a major project in the area which is likely to apply to the Fund in the course of year three.

99.98% of funds available for the area outwith Blackdog have been awarded in the first two years of the Fund's operation.

Unlock our Future Community Champions Panel

The Unlock our Future Community Champions Panel makes decisions on how the Fund is spent (Fund Strategy and grant awards) and promotes the Fund locally. The Panel comprises six residents of Aberdeenshire and the City of Aberdeen, initially appointed in 2018 through an open recruitment process, and who bring relevant skills and experience to the work of the Panel.

During year two of the Fund, the Panel comprised:

Liz Hodge
Lori Manson
Morag McCorkindale
Susan Osbeck
Donna Speed
Hamish Vernal (Chair)

Panel members are expected to serve between two and four years.

At the end of year two, Hamish Vernal and Donna Speed retired from the Panel.

An open recruitment process took place in October 2020 and Rob Clunas was welcomed to the Panel. A further Panel member will be sought in early 2021.

Susan Osbeck was appointed Chair of the Panel in December 2020.

The Panel met four times during the year. Twice to plan the Year Two programme, once to shortlist applications and once to decide on final awards.

The first two meetings were held face-to-face; subsequent meetings were held online due to Covid-19 restrictions.



The 2019-2020 Fund Panel: (L-R) Liz Hodge, Susan Osbeck, Donna Speed, Hamish Vernal, Lori Manson, and Morag McCorkindale

Fund Promotion and Support to Applicants

Information events for potential applicants were held in Aberdeen and Fraserburgh during February 2020.

The events were attended by Foundation Scotland, members of the Community Champions Panel and a number of support organisations which could provide further help to prospective applicant groups in realising their plans. These included:

- Aberdeen Council of Voluntary Organisations
- Aberdeenshire Voluntary Action
- Buchan Development Partnership
- Kincardine Area Partnership
- Local Energy Scotland / Home Energy Scotland
- Marr Area Partnership
- The Garioch Partnership
- The National Lottery Community Fund

Over 30 potential applicants attended the events. Attendance at the Aberdeen event was considerably higher than the Fraserburgh event.

Further follow up surgeries were planned in March 2020. These were to be in Inverurie and Stonehaven. Because of the Covid-19 pandemic, these face-to-face surgeries were cancelled and replaced with support over the telephone and online. A further 10 organisations received support with their applications in this way.

Year 2 Applications

24 applications were received, for a total of £313,976. Of these, 12 applications were funded, totalling £124,276 in value – a conversion rate from application to award of 50% (by number of applications). Applications in year two of the Fund were less than in the first year, which saw 33 applications totalling £415k, and a conversion rate of 33%.

A drop in application numbers following the initial launch year is not unusual as there is less pent up demand. Also, organisations become more aware of the specific requirements of the Fund, resulting in fewer applications which don't meet the Fund's objectives. In 2020, there were likely to have been additional impacts on application numbers as a result of the Covid-19 pandemic, with many community groups dealing with major challenges during March and April when the Fund was open for applications.

Two applications were for less than £2,000. These projects completed a shortened application form.

Applications were assessed using a two stage process. Initially, applications were shortlisted based on the projects' likely contribution to the four Fund priorities. At this shortlisting stage, 10 applications were rejected as they were felt to have an insufficiently strong contribution to Fund priorities. The remaining 14 projects underwent a detailed assessment.

A full list of the 12 projects awarded funding is given on the following page.

Based on the estimated project costs at the time of application, the total value of projects funded in year two (from all funding sources) was £3,583,562, giving a leverage ratio of 96.5%; for every £1 awarded from the Fund, £27.82 was raised from elsewhere. This is more than the leverage ratio in the first year of 82.9%. However, the figure is skewed by one high value project (Aberdeen Association of Social Service’s new residential mental health facility). If this project is excluded from the calculation, the leverage ratio for the Fund

is 64.0%; for every £1 awarded from the Fund, £1.78 was raised from elsewhere.

The locations of successful and unsuccessful applicant organisations in year one and two (based on the post code of the main contact) are shown below. One awardee from year one is not shown (Community Energy Scotland) as the main contact address is outside the area - the award was for activity taking place within the Fund area of benefit.



Figure 1 Location of Awards (year 1 and year 2)

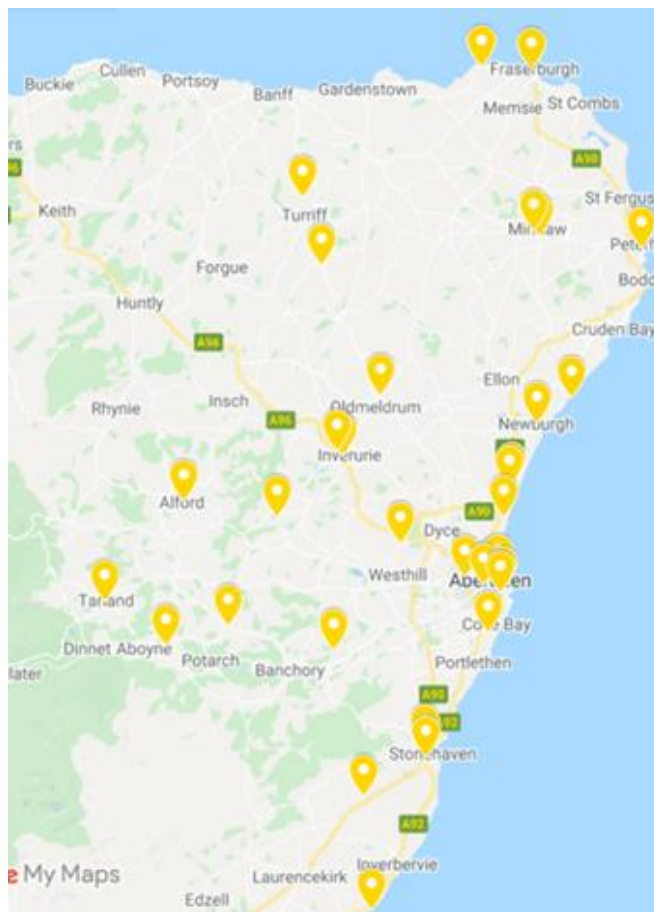


Figure 2 Location of unsuccessful applications (year 1 and year 2)

Year 2 Fund Awards

Ref	Applicant	Description	Award
A548748	Aberdeen Association of Social Service (VSA)	To part-fund solar panels for a new residential mental health care facility in Aberdeen.	£10,000.00
A551099	Alford and District Men's Shed	To optimise the renewable energy system for Alford Men's Shed by installation of a solar thermal and battery storage, enhancing a community facility used by older men and the wider community.	£15,000.00
A551101	Buchan Community Farm LTD	To fund a switch to renewable energy through installation of Solar PV, supporting the Community Farm's work with vulnerable young people.	£5,500.00
A551103	Buchan Dial-A-Community Bus	To fund the purchase of a new seven seater electric vehicle which will be used to provide free-of-charge, accessible and suitably timed transport to those who cannot afford public transport or who find it difficult to access public transport for a variety of reasons.	£15,000.00
A552657	Camphill Rudolf Steiner Schools Ltd	To fund the purchase of one cargo e-bike to create a new and environmentally sustainable transportation method for the students to deliver food and household products to the School's residential houses.	£5,500.00
A551633	Community Food Initiatives North East	To fund the purchase of a new electric cargo bicycle as part of CFINE's 'Vegaroonitoun' service providing access to fresh food for people in Aberdeen who experience food poverty, are isolated, and/or experience health, mobility or other barriers.	£5,500.00
A551215	Newburgh Public Hall	To upgrade the hall heating system through installing an air source heat pump, supporting a community facility.	£13,860.00
A549981	Peterhead Sailing Club	To fund installation of solar panels, a battery and an electric car charging point, to support the work of the sailing club with a range of groups including young people and those with disabilities.	£13,822.14
A551084	ProtoTAU	To contribute to the development and build of the prototype hydrogen car taking part in the 2021 Shell Eco-Marathon and the travel costs of the ProtoTAU team of students from Aberdeen University.	£1,690.00
A551102	Tarland Development Group	To contribute to the costs of constructing education facility, in particular funding the added cost of a living roof.	£8,404.00
A551628	Tarves Parish Church	To fund an air source heating system as part of the redevelopment of Tarves Youth Hall.	£15,000.00
A551085	The Barn (Woodend Arts Ltd)	To replace and upgrade Stage Lighting and House Lights from halogen to LED in a community arts space.	£15,000.00
		Total Awarded	£124,276.14

Fund Impacts

The Unlock our Future Fund is investing in projects which will provide a legacy. This section provides a snapshot of early impacts generated by projects since the start of the Fund. Many of these projects have faced delays in delivery caused by the Covid-19 pandemic – however, they are still expected to meet their overall objectives in due course.

Climate Smart Transport

During the first year of the Unlock our Future Fund, three awards were made to organisations to purchase electric vehicles. Tigh a'Chomainn Camphill School purchased an electric car; Aberdeenshire Sailing Trust purchased an electric van; and Meldrum Amenities Association purchased an electric utility vehicle.

Tigh a'Chomainn Camphill School, which supports the education of children and young people with disabilities, were able to take delivery of their Nissan Leaf shortly after funding was awarded. It is being used to transport staff and students, reducing reliance on conventionally fuelled cars. Covid-19 restrictions meant that travel was drastically reduced from normal levels in 2020. However, the car will allow the school to reduce its carbon emissions in years to come.

Aberdeenshire Sailing Trust, which enables young people to take part in sailing, experienced delays in purchasing their new

van, to be used for transporting boats and sailing equipment, as they had to secure additional funds. This funding was however raised, and the van was ordered and delivered in the summer of 2020. Activities provided by the Trust during the sailing season of 2020 were at a reduced level due to restrictions. They expect the van to be more fully utilised in 2021.

Meldrum Amenities Association encountered long delays in getting their chosen vehicle delivered due to its specialist nature and limited availability. Further problems were caused by disruption due to the pandemic and the wrong specification initially being delivered. However, the utility vehicle will be in use maintaining flowerbeds, plant containers and amenity areas throughout Oldmeldrum in 2021.



Tigh a'Chomainn Camphill School electric car

Investing in Community Buildings

Four organisations receiving awards in the Fund's first year are using the funding to improve the energy efficiency of community buildings.

Strachan Village Hall and Fittie Gospel Hall installed air source heat pumps as part of wider refurbishment work; Aboyne and District Men's Shed installed solar panels on a newly built facility; and Tarland Development Group were awarded a grant towards a planned education facility.



Fittie Gospel Hall - work in progress to install the new heating system

All of the groups experienced some delay due to Covid-19 restrictions. Nevertheless, the work at Strachan Village Hall, Fittie Gospel Hall and Aboyne and District Men's shed has been completed. Although the groups remain

unable to reap the full benefits of improvements due to ongoing restrictions, they will provide more energy efficient and financially sustainable facilities in future.



Aboyne and District Men's Shed nearing completion

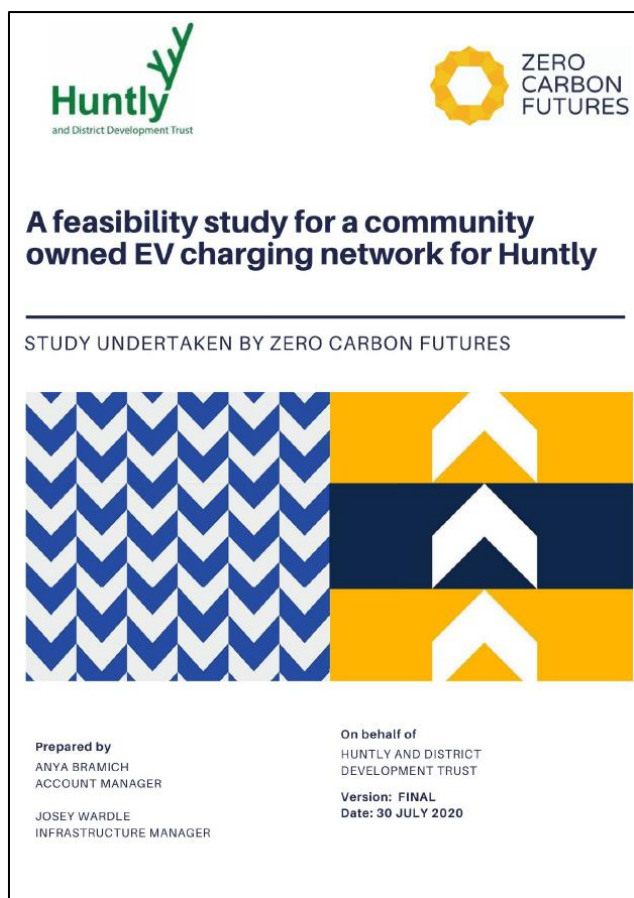
The Tarland Development Group were able to commence the development of their environmental education facility in the autumn of 2020, having successfully raised the balance of funding required.

Building Knowledge for a Climate Smart Future

Three projects receiving funding in the first round of Unlock our Future Fund sought to increase knowledge and promote climate smart innovation.

The Huntly and District Development Trust received funding to carry out a feasibility study into establishing a community owned electric vehicle charging network in Huntly. This was completed in the summer of 2020, despite some Covid-19 related delays in carrying out consultations. The Trust is has

now secured funds to implement the recommendations of the study.



HDDT feasibility study

Community Energy Scotland received funding to deliver an educational programme for community groups to understand changes in the energy system and the challenges and opportunities these changes bring. The start of the programme was delayed both by Covid-19 and the need to raise additional funding. However, the programme began in the autumn of 2020 and is working with five Aberdeeen City and Aberdeenshire groups. The groups are attending a series of virtual workshops. These will be followed up by a tailored package of one-to-one support, to help the groups realise their energy related projects.

PrototAU, a student-led group at Aberdeen University working on hydrogen powered vehicles, were funded to build a prototype car to take part in the Shell Eco Marathon in 2020. Unfortunately, the event was cancelled due to Covid-19. Some development work took place during the year, and the award is now being put towards participation in the planned 2021 event, with a small amount of supplementary funding awarded in year two of the Fund.



PrototAU Design Team meeting

Future Impacts

As the Unlock our Future Fund nears the end of its second year, the projects supported by the Fund in its first year are beginning to make a difference. However, many organisations have experienced delays and changes to activity as a result of the Covid-19 pandemic.

At this stage, the potential impacts of these projects on both communities and the environment are largely unrealised. Foundation Scotland will continue to gather evidence to demonstrate the longer term impact of the Fund.

Media Coverage

Potential applicants were made aware of the Fund through:

- Press coverage
- Social media
- Bulletins and websites of support organisations

An article was carried in the Press and Journal, the regional newspaper with the highest circulation in the North East of Scotland (15 February 2020; *'Vattenfall funding applications open for community groups and charities in the north-east.'*) Coverage also appeared in the Grampian Group of local newspapers, which includes titles in Banffshire and Huntly (16 March 2020; *'Last call for applications to Windfarm Community Fund.'*)

Information was circulated in the bulletins of support organisations including Aberdeen Council of Voluntary Organisations; Aberdeenshire Voluntary Action; local area partnerships; and the Aberdeen Renewable Energy Group. Details of the Fund were also available via the Scottish Council of Voluntary Organisations funding portal (Funding Scotland).

The awards were publicised via the press and social media. In 2019, an award event was held for successful applicants. This was well covered in the press, and videos of interviews with awardees were also made available via social media and the Fund webpage.

In 2020, the Covid-19 pandemic meant that such an event was not possible. Instead, award holders were asked to make short videos which were then circulated primarily via social media.



'Meet the recipients' video

Press releases on the awards generated coverage in the regional press, including the Press and Journal (30 July 2020; *'North-east community groups split £124,000 charity fund.'*) and the Grampian Group (4 August 2020; *'Funding celebrates innovation and sustainability across Aberdeenshire.'*)

Information about the Fund on the Foundation Scotland website was viewed 2,553 times by 1,745 users between 1 January 2020 and 23 November 2020. Peaks in views were during February and March, while the Fund was open for applications. Secondary peaks appeared in August 2020, when publicity about the awards was issued, and October 2020 when the recruitment of new Panel members and a consultation survey (see below) were underway.

Fund Review

On completion of the first two years of grant making, the Panel carried out a review of the Fund's priorities and delivery.

An online survey was conducted to elicit views from organisations who had either applied, attended information sessions, or expressed an interest in hearing about the Fund. Members of the wider public were also able to contribute through a link circulated in various local newsletters and email bulletins. 42 responses were received. All respondents were aware of the Fund before being invited to take part in the survey.

Survey: Key Findings

Fund Priorities:

- Greatest support was for investing in community facilities and ensuring a legacy, with less support for requiring applications to show innovation.
- All cross-cutting themes were felt to be important to some extent, with least support for consideration of match funding.
- The importance of supporting resilience, health and wellbeing, and support for young people were mentioned by a number of respondents who felt that these should be reflected in the future Fund priorities.

Maximum Award Value and Fund

Area:

- The majority of respondents were supportive of the current maximum award level of £15,000 or £30,000 over three years.
- The 10% ringfencing for Blackdog was felt to be appropriate; though many felt that could be reviewed if worthwhile projects did not come forward.
- There was a high level of support for the introduction of a further simplified process for applications for less than £2,000.

Information Sessions:

- The majority of those who attended the information sessions found them helpful.
- Booked slots would be preferred by many rather than a drop-in format.
- Applicants are prepared to attend online sessions, but many have the preference for face-to-face support if possible. (However, it should be noted that the survey was carried out online, so may have excluded responses from those not able to access online support).

The Application Process:

- Several applicants were deterred from submitting applications once they had received further advice about the Fund priorities. A couple were left with a negative view of the Fund as a result.

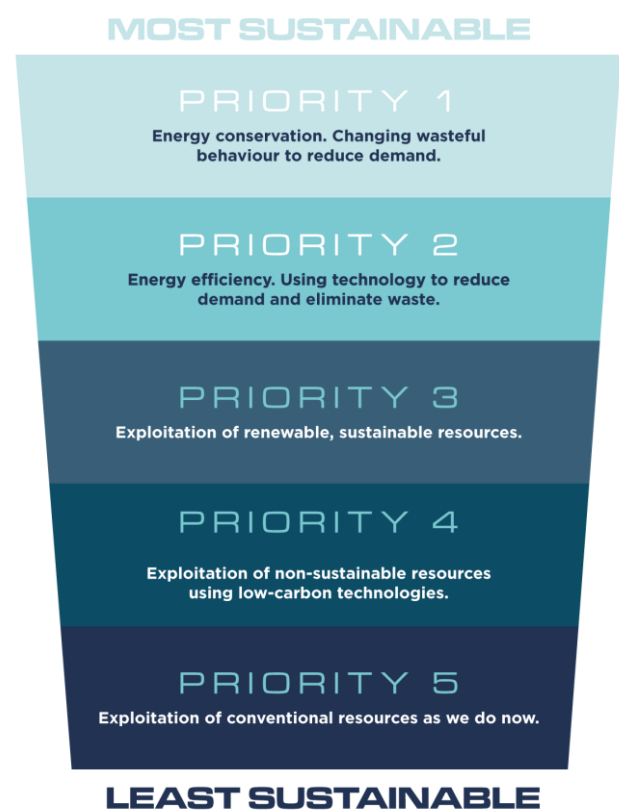
- Generally, applicants were satisfied with the application process and the support received when applying. Recommendations for improvements include adding word limits to the application form and clarifying questions /reducing repetition in questions.

- Guidance and application forms will be simplified and streamlined where possible, with word limits introduced on application forms.
- Guidance would encourage applicants to make use of advice available through organisations such as Zero Waste Scotland in developing their projects.

The Panel met to consider the survey and reflect on the Fund's priorities and operation in December 2020.

As a result of the Fund review, the Panel recommended that:

- A further simplified application and assessment process is piloted for small grants of less than £2,000. The turnaround period for decisions on these awards will be shorter than for the large awards.
- In future, applicants will have to meet three out of the four Fund priorities to be considered. However, applications will be stronger if all four priorities are met.
- The Fund priority relating to innovation will be reworded to refer to supporting 'creative solutions' to make clearer that the priority relates to supporting new approaches, and is not limited to technological innovation.
- The 'energy hierarchy' will be included as a cross cutting theme (see figure below).



The Energy Hierarchy

The Fund Strategy is being amended in advance of the year three Fund launch to reflect the changes agreed.

Contact

For further information about the Unlock our Future Fund see:

<https://www.foundationscotland.org.uk/programmes/unlock-our-future-fund/>

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