

# **CAITHNESS FUTURES**

## **Draft Fund Framework**

### **1) Purpose of this Fund Framework**

The purpose of the Caithness Futures Fund Framework is to set out the Fund's priorities and the processes by which funding will be made available. This Framework has been prepared following consultation to enable the fund to launch in 2026. However it will be refreshed by the Panel, taking into account any further consultation by the Caithness Futures Panel.

The Fund Framework will:

- Ensure the Fund achieves measurable impact against the Caithness Area Place Plan;
- Enable proposals to be prioritised for funding and for decisions to be made in a fair and consistent manner;
- Provide 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 Caithness.

The Framework will be reviewed at regular intervals to ensure it continues to meet the evolving needs of the communities.

### **2) Background**

The Fund is administered by independent grant-making charity Foundation Scotland, under contract to RWE.

Caithness Futures launches in 2026 with its first annual donation from RWE's Camster II Wind Farm of £160,000 which will be index-linked for the Wind Farm lifetime, expected to be 25 years. In 2027, it intended that the fund will receive its first annual contribution from RWE's Golticlay Wind Farm, creating a pooled fund

The key issues that have been shared throughout consultation, which Caithness Futures is striving to align with, are:

- To establish a 'superfund' by pooling funding sources, working to the same rules to 'sew the patchwork together'
- The need for strategic planning to be built in from the start
- Continuation of Education & Training Funds
- Social care as a high priority
- An easy, streamlined, accessible application process.

The fund has been designed to reflect these priorities.

RWE and Foundation Scotland are keen to work with other funders to grow this Caithness-wide pooled fund with contributions from other sources, in order to maximise the fund's impact and benefit to the community.

Recommendations on awards are made by a panel of nine Caithness residents recruited for the skills and experience they bring to the role. Opportunities to become a Panel member are openly advertised when these arise, both locally and on Caithness Futures website.

Panel members ideally serve for three to five years, retiring on a phased basis to ensure knowledge and expertise is retained.

Up to 2 people – representatives from Caithness Community Planning Partnership

Up to 2 people – youth voice, Caithness residents aged 16 to 30

Up to 4 people – local residents

Independent Chair (who is a Caithness resident)

### **3) Making a Difference**

#### **a) Fund Purpose**

Caithness Futures' aim is to support and strengthen community groups that are delivering towards the [Caithness Area Place Plan](#). The place plan was developed by Highland Council through significant consultation to ensure that service provision, funding and developments would reflect collective community wants, needs and priorities for Caithness.

#### **b) Fund Priorities**

The priorities for this fund are those used by the Caithness Community Partnership and derived from the Caithness Area Place Plan.



In 2026, the main priority will be **Health and Wellbeing**, through open grant making, through the Caithness Futures Maternity Grants and potentially through direct awards if the budget allows.

A secondary priority will be **Employability** through the Caithness Futures Education and Training Fund.

The issues noted in the plan under the **Health and Wellbeing** heading are:

1. Need to travel to Inverness for maternity and other health services
2. Limited access to GP appointments and dentists
3. Need for more local care delivery and potential to bring consultancy services to Caithness
4. Need for access to mental health services, including support for young people's mental health
5. Targeted interventions for identified groups including people affected by drug and alcohol issues; neurodiverse young people (e.g., autism, dyslexia, ADHD); young carers; vulnerable residents; and those experiencing poverty
6. Need for improved care-at-home services
7. Importance of access to coast and countryside for wellbeing
8. Impact of poverty and inequality ("haves" and "have-nots") on wellbeing
9. Need for more accessible, affordable, or better-used community spaces (sports facilities, libraries, community halls)

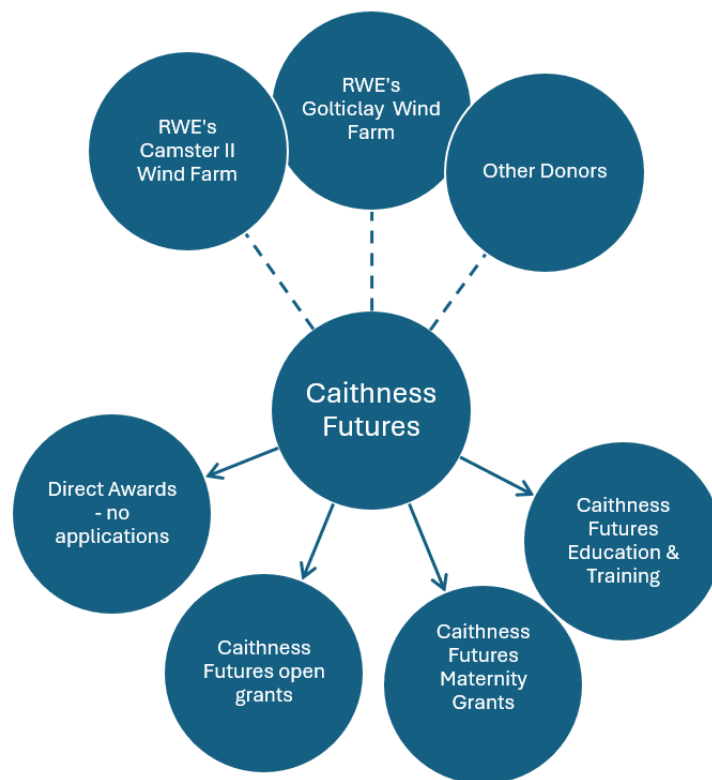
These examples may not all be relevant to this charitable community benefit fund as the fund cannot contribute to any areas understood to be the exclusive responsibility of statutory authorities.

#### 4) Fund Distribution

There will initially be three funding strands. As the fund develops there may be additional strands created.

The consultation showed strong demand for direct awards to be included, i.e. grants offered to community groups delivering on the fund aims without the need for an application form. Whilst this has not been built into the Framework for the initial, funding could be made available for this in the future at the Panels discretion.

Whilst the initial budgets for each strand have been set by RWE and Foundation Scotland, the Panel can flex these budgets across the sub-funds as necessary. Any balance will be carried forward for future rounds of funding.



### **a) Main Grants Programme – Caithness Futures**

This is an open grant-making process, with advertised funding rounds widely promoted across the Fund area. This is the 'Main Grants Programme'. The Main Grants Programme will operate without deadlines. In 2026, as outlined above, the theme of the main grants programme is Health and Wellbeing.

In the first year the budget will be £80,000. It is proposed that this will enable four large grants at £20,000 each. Preferably most awards will be for multi-year costs, with annual payments of up to £20,000 however single year or ad-hoc projects can

also be supported and are encouraged to apply. Multi-year grants will usually be provided for between three and ten years.

Potential applicants can seek one to one information sessions by phone or online with Foundation Scotland, which will provide opportunities for groups to learn more about applying to the Fund and to support applicants in completing the forms.

The Fund Administrator, Foundation Scotland, will receive and assess all applications and supporting materials, based on eligibility and fit with scheme criteria. This will involve a follow-up telephone call, or discussions via email, from a Foundation Scotland representative.

The call is not meant to be a test, but enables the Caithness Futures Panel to be provided with information about the capabilities and experience of the applicant organisation as well as gathering and clarifying project specific information relevant to the application. This process also levels the playing field between different types of applicant – whether a small local community group making its first ever funding application or a national charity with a professional fundraising team, the call enables the project to be fully presented to the Panel using a consistent format. Drawing on the application, supporting material and subsequent phone call with the applicant, Foundation Scotland will then compile an objective appraisal of the application, forming a detailed written report which will be considered by the Caithness Futures panel to inform its funding decisions. The panel will be advised of all applications received, including any not eligible for funding.

Groups may submit more than one application in any fund year, or while a previous grant is still ongoing. However there are many groups and organisations in the area, of varying types, scale and capacity, applying for support from this fund, therefore if more than one application is made, or where more than one project features in an application, the organisation may be asked to confirm the priority order of the applications or projects to facilitate decision making.

The Main Grants Programme fits with OSCR Charitable Purposes:

(d) the advancement of health, and

(f) the advancement of citizenship or community development - rural or urban regeneration

## **b) Caithness Futures Education & Training Fund**

Educational grants are available for individuals seeking to access training and education opportunities to improve their employability prospects or develop a new career.

Residents in Caithness aged 16 and over can apply.

First time applicants can apply for up to £750.

The approach taken for repeat applicants for years two onward will be considered by the Panel during the fund's first year.

£45,000 will be ring-fenced for this purpose. This amount may need to be increased or decreased in future years at the Panels discretion taking into account demand in across all sub funds.

There are other Education & Training funds available to some Caithness residents. Where this is the case, applicants should continue to apply to those local funds rather than this fund to ensure as many people as possible can benefit from this wider area opportunity.

Education & Training grants fit with OSCR Charitable Purpose (b) the advancement of education.

### **c) Caithness Futures Maternity Grants**

Caithness Futures will introduce a modest individual grant of £250 available to all pregnant women in the third trimester of pregnancy on evidence of residency and production of a Mat B1 form. The aim of this is to promote good health and wellbeing whilst reducing the financial burden of travelling to Inverness for maternity services.

£35,000 of the available balance will be ring-fenced for this purpose. This amount may need to be increased or decreased in future years at the Panels discretion taking into account demand in across all sub funds.

The Scottish Human Rights Commission (SHRC) Report - November 2024: "Economic, Social and Cultural Rights in the Highlands and Islands" states:

*The current situation requires women in labour to travel up to four hours to Raigmore Hospital in Inverness, often relying on public transport if private transport is unavailable. .... Women surveyed by human rights defenders reported feeling unsafe, terrified by the journey due to night-time travel, the possibility of giving birth en route, adverse weather conditions, and the presence of deer on the roads. As a result, some women are choosing not to have more children or are moving out of the area to avoid giving birth at*

*Raigmore. Additionally, in cases of premature birth, mothers are sometimes sent to Aberdeen, Glasgow, or Edinburgh, as Inverness lacks sufficient beds.*

*... Centralisation has also meant that babies requiring treatment for conditions like jaundice now have to travel to Inverness. Other services, including blood diagnostics, hip checks, and hearing tests for babies, are no longer provided in Wick and must be accessed in Inverness.*

The fund is not in a position to mitigate the perceived lack of maternity care in Caithness, which is a statutory service. It can, however, offer a modest sum to help with the costs of (for example) travel, accommodation or childcare for older children linked to the impact of service provision as it is currently modelled. The grant can also be used for other costs associated with relieving financial stress or promoting health and wellbeing, for example to take part in pregnancy exercise classes and so on.

Maternity Grants fit with OSCR Charitable Purpose

(d) the advancement of health, and

(f) the advancement of citizenship or community development - rural or urban regeneration as evidence shows that people are moving out of the area due to the maternity provision being centralised.

#### **d) Targeted/strategic award-making and commissioning**

**Strategic, or targeted grant-making**, is designed to develop Fund grant-making from a traditional open reactive grant-making process, without the specificity of commissioning but still ensuring accountability and transparency for the communities the awards are designed to benefit. Should funds allow, the Caithness Futures' panel can implement targeted grant making with local organisations, initially supporting the Priority of [Health and Wellbeing](#) or [Employability](#).

This could be through a multi-year core funding investment in key local organisations where it already has existing relationships and the groups have a track record of successful delivery, to provide these services with stability and guarantee some level of provision to children and young people in the area over the next three year period. It could also be through ad-hoc or one off funding offers towards identified groups or projects.

In future years, should funds allow, the Caithness Futures Panel can also use **commissioning**, which means using community benefit monies to acquire services

or works in order to meet evidenced community needs or priorities. The services or works can be commissioned in a range of ways:

- by an open tender process (whereby potential contractors set out how they would deliver the service and what the costs would be);
- by inviting proposals from a selected number of potential contractors (closed tendering, such as the 'three quotes' approach frequently used in grant awards); or
- by identifying a single provider in a non-competitive process, which is also legitimate, as long as the process is transparent.

Providers of services can be private sector, community organisations, charities or social enterprises; as long as the commission has charitable purpose, in line with Caithness Futures' own objects.

Commissions must be evidence based and in alignment with the Fund Framework. Other criteria for community led commissioning include one or more of the following:

- There is no local body in a position to deliver a sought service or activity, commissioned or otherwise, and so help from outwith the area must be proactively sought
- There is no body (local or otherwise) likely to spontaneously seek a grant funding to deliver a service/activity identified as a community priority
- Specialised/expert input is required
- Commissioning work might positively move forward a challenging situation for the community

## 5) Eligibility

Awards from the **main grant-making programme** 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 (including capital and running costs) must be consistent with **recognised charitable purposes** as set out in the Charities and Trustee Investments (2005) Act Scotland<sup>1</sup>.

The fund will support core costs. *Direct project costs* are all the costs clearly and directly incurred as the result of a project. *Overheads* are costs which are necessary

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<sup>1</sup> See <https://www.oscr.org.uk/guidance-and-forms/meeting-the-charity-test-guidance>

for an organisation to operate, but do not relate specifically to just one project. These are sometimes also referred to as indirect, core, central or support costs.

The Fund will support contributions to overheads on the basis that these are a necessary cost and often form an important part of successful delivery. However, where these are requested as part of a project-based application the applicant must ensure there is a clear rationale behind how the sum was calculated, and during assessment applicants may also be asked about other funding sources for these costs, to avoid any risk of double funding.

*Full cost recovery* is an approach to securing funding for all an organisation's costs where all overheads are shared proportionately across the organisation's different projects. If an organisation is choosing to use full cost recovery, applicants may be asked to demonstrate their calculation on a full cost recovery spreadsheet supplied by Foundation Scotland, depending on the scale of the award sought.

Applicants may provide commentary on any 'in kind' contributions their organisation is making towards a project in any application made. However, in kind contributions should not be included in any application project budget table with a financial value placed against them. In kind support put in a project budget may be noted, but it will set aside when an assessment is being made of the financial position of any project seeking support.

To be eligible to apply to the Main Grants programme, applicants must be able to comply with the [standard eligibility criteria](#). Applicants should ensure they have read these before starting an application.

The Fund **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 understood to be the primary responsibility of statutory authorities (including teaching equipment in schools). Whilst schools cannot be funded, Parent Teacher Associations / Parent Councils can apply if they are appropriately constituted.
- Organisations or groups with unduly restrictive membership criteria and/or where the committee or panel is not elected by, or otherwise accountable to, a wider group of people.
- .
- Projects primarily benefiting residents outwith Caithness.
- Activities contrary to the interests of RWE or Foundation Scotland, or likely to bring them into disrepute.
- Anti-renewable energy/anti-windfarm activities;
- Retrospective funding (i.e. paying for costs incurred before a decision on an application to the Fund is made).

- The repayment of loans or payment of debts.
- General fundraising appeals or activities
- Costs directly related to the sale of alcohol, including but not limited to the refurbishment of a bar area

Further detail on some of these points is provided below:

There is sometimes confusion around **support for community activity connected with religious groups**. The Fund will not support activity that promotes the advancement of religion. However, grants can be made 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.

Funds 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 village/ town and its tourism potential.

Another area that can be challenging is where and how an existing or proposed project may **overlap with statutory provision**. Determining whether applications are additional to statutory provision can be difficult. As part of the assessment process, Foundation Scotland will consider on a case-by-case basis whether any proposed project is additional to statutory provision and will report on their findings in the assessment report that is provided to the Caithness Futures panel.

Applicants are encouraged to **work in an inclusive way, in line with equalities legislation** – and that they can demonstrate how they do this.

This means that:

- Access to 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 (see below). It also means that applicant groups should seek to remove any barrier to participation and it should be possible for anyone in the intended beneficiary group to find out about the activity or service. Ideally, the activities/services should be widely promoted within the community or specific interest groups. Potential further barriers

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.

- Similarly, the organisation's membership criteria should not exclude any individual on the basis of protected characteristics, unless this can be justified (as below). In addition to equalities considerations, organisations that welcome a diverse range of interests and perspectives may bring in a wider set of skills and experience, innovation, and/or engage new sections of the community.
- Where an organisation restricts membership and / or access to its services or activities to people who share one or more of the protected characteristics (e.g. by gender), Caithness Futures may only consider an application for funding 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.

## **6) Value for Money**

All applications will be expected to follow the Fund's guidance on Evidencing Value for Money. This covers the number of quotes required at differing item/budget line levels and the expectation that applicants will manage any conflicts of interest when procuring services or goods.

In rural settings such as the Caithness, it is recognised that procurement can be more challenging. There may be fewer suppliers for some types of services and goods, and this is considered at assessment.

Full information is set out [here](#).

## **7) Future Distribution**

Over time other methods described below may be developed and implemented as needs and/or opportunities arise and as agreed by Caithness Futures panel. In particular, it is likely that the main fund priorities will change to incorporate different or new priorities from the Caithness Area Place Plan as further funding is added to the pooled fund.

## **8) Evaluation and Review**

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

All funded projects are required to submit a completion report to Foundation Scotland identifying the project's impact. The completion report invites the group to share how the project went and what has been achieved. We will be asking for some feedback and the extent to which the project has made a difference in any of the Fund's main change areas. This will be both quantitative and qualitative information.

Fund reviews will be undertaken at set intervals, and will be delivered in line with the Scottish Government's Good Practice Principles for Community Benefit from Onshore Renewables.

A series of workshop discussions or focus groups around each theme: people, place and prosperity will be held once the fund is up and running. This will inform the fund Framework and guide the use of fund priorities going forward.

An annual funders event will be trialled, such as a conference or round table event, to serve as a forum to drive up impact from community benefit, beyond that of just this fund, but across all funding sources in Caithness. This may be as a standalone event, or may be delivered in partnership with other events running through the Caithness Community Planning network.

These workshops and events will bring people together to share project progress and potentially identify new opportunities for collaboration.

## **9) Promotion and Communications**

A successful Fund requires clear and ongoing communication, for example about what will be supported, how to apply, what has been supported, and the success and learning of funded projects.

Foundation Scotland will work to ensure the Fund is promoted across Caithness and information about awards and the difference being achieved through them is widely shared.

This will include using local print newspapers and social media as much as possible, alongside creating an annual briefing to summarise and celebrate the work of the Fund.

The Fund will have three dedicated pages on Foundation Scotland's website, one for the community fund, one for the Education & Training Fund and one for the Maternity Grants.

The Fund Framework will be available to download. Applications are made through an online application portal. Applicants are required to have an email address and Foundation Scotland will send written material by email.

## **10) Terms & Conditions, Payments and Grant Acknowledgement**

### **a) Terms and Conditions**

All recipients of awards are required to accept terms and conditions for their grant award. These are managed by Foundation Scotland. From time to time, the panel may also set additional conditions on a grant, which provides the panel with additional assurances in relation to the provision of an award. These will always be communicated clearly to the applicant at the point of award.

- Standard organisational terms and conditions can be read [here](#)
- Individual terms and conditions can be read [here](#)

The fund donor, RWE is notified of each grant payment, and may select grant holding organisations for further communication and marketing purposes.

### **b) Payments**

Payments will be issued by fund administrator Foundation Scotland. Grantholding organisations will receive an email from Foundation Scotland with a remittance notice attached to it.

Applicants should ensure they read the attached remittance notice as well as the email, as it will provide details of the payment and which grant it is for.

### **c) Acknowledging Your Grant**

Grant applicants should always acknowledge the support of RWE and Caithness Futures in any publicity for or promotion of their funded activities.

While the payment remittance for a grant will come from Foundation Scotland, applicants should ensure that grants awarded are ringfenced and acknowledged as being from RWE and Caithness Futures in their annual accounts. This is a condition of grant.