



## **Appendix 1 - OIC Crown Estate Community Led Development Fund (OIC CECLDF)**

### **Scheme Guidelines**

#### **Introduction**

This grant aid scheme is administered by Orkney Islands Council and financed from net revenues generated by Scottish Crown Estate. Funding allocations from the Scottish Crown Estate are unknown and may fluctuate from year to year.

The grant scheme is designed to mobilise change and deliver positive outcomes for Orkney and its communities. The scheme seeks to support the community and community economic development of Orkney by investing in infrastructure, community capacity building, and developing community assets and encouraging inclusive community growth – that is, growth which combines improved wellbeing with greater equality, creates opportunities for all, and distributes the benefits of increased prosperity fairly.

The scheme also aims to encourage regeneration of Orkney’s communities by supporting projects that safeguard sustainable community economic growth and jobs, promote inclusion, contribute towards poverty reduction and safeguard, restore or enhance the coastal environment.

In light of the crisis caused by COVID-19 and resultant lockdown, we must also consider how this funding delivers against our priorities for recovery and renewal over the next few years. While regeneration and development remain vital considerations, we must also consider how the funding can contribute to making our communities resilient in areas such as food supply, connectivity and energy, and developing the lessons we have learned during the crisis.

Project seeking funding must be a strong fit to the Orkney Partnership Plan 2021-23, the Council’s Plan 2018-2023 and be aware of the overarching Scottish Government’s National Island’s Plan Strategic Priorities and Blue Economy Vision Community Elements:

[Orkney Partnership Plan 2021-23](#)

[Orkney Islands Council's Plan 2018-23](#)

[Scottish Government's National Islands Plan](#)

[Scottish Government Blue Economy Vision](#)

#### **Orkney Partnership Priorities**

Your proposal should state its relevance to the following:

#### **Orkney’s Community Plan 2021-23 – (and any subsequent approved Orkney Community Planning Partnership Plan)**

**Community Wellbeing** – Our aim is to support Orkney’s individuals and communities to withstand and recover from the Covid-19 pandemic and its socio-economic impacts – individuals and communities

benefit from enhanced support to recover and renew; Orkney's fragile communities become more resilient and sustainable.

**Sustainable Recovery** – Our aim is to exploit the synergy between two linked priorities: Orkney's economic recovery from the Covid 19 pandemic and combatting the climate emergency – a demonstrable upturn in Orkney's economy, supported through co-ordination and implementation of the ASPIRE Orkney Action Plan; A 'Just Transition' towards a well-being economy with a focus on climate change, fair work, and diversity; Measurable progress towards Scotland's target of net zero emissions by 2045; an adaptation strategy to protect our citizens, businesses, habitats and wildlife from the effects of climate change.

### **The Council Plan 2018-2023 – Strategic Priority Themes – (and any subsequent approved Council Plan)**

- **Thriving Communities** - The Orkney Community is able to access work, learning and leisure through a modern, robust infrastructure which supports all our communities and meets the requirements of 21<sup>st</sup> century life;
- **Enterprising Communities** – A vibrant carbon neutral economy which supports local businesses and stimulates investment in all our communities;
- **Quality of Life** – Orkney has a flourishing population, with people of all ages choosing to stay, return or relocate here for a better quality of life.

Reference must also be made to any Local Development Plans or Place Plans or Sectoral Plans.

### **Eligibility**

Applications can be made by any of the following organisations:

- Registered Charities in Scotland
- Formally constituted community and voluntary groups such as Community Councils, Development Trusts, Community Associations, SCIO and Heritage Societies
- Local Authority departments for non-statutory projects
- Other public sector bodies for non-statutory projects
- Collective community interest groups/sector wide bodies
- Religious groups will not be ordinarily eligible, unless broad community benefit can be demonstrated.

Applications cannot be considered from:

- Individuals
- Informal groups
- Sole traders
- Organisations out with Orkney (unless the full project delivery and benefits would be achieved in Orkney)
- Religious or political organisations
- Private business- unless part of a community collective or industry wide initiative.



- Community Interest Companies- unless part of a community collective or industry wide initiative
- Organisations that already have a OIC CECLDF application (unless in exceptional circumstances)

### **Priorities for funding**

The Crown Estate Community Led Development Fund must deliver on the priorities of the Council Plan 2018-23 specifically the 3 Strategic Priority Themes of Thriving Communities, Enterprising Communities and Quality of Life as well as the Orkney's Community Plan 2021-23 for Community Wellbeing and Sustainable Recovery. Funding may be used to help with the following:

- Developing and regenerating Orkney communities including infrastructure and assets.
- Creating and safeguarding sustainable community economic growth and jobs.
- Providing communities with the means and opportunity to address issues of poverty, disadvantage and inequality.
- Contributing to net zero agenda through community assets decarbonisation and renewable energy, building in greater resilience.
- Supporting communities to develop projects which promote and develop local resilience and inclusion in areas, for example, food supply and connectivity.
- Supporting community capacity building and community development.
- Supporting opportunities for community skills development and learning experiences.
- Adding value to Orkney's economy through collective community body efforts including supporting promotion, developing new offers, and improving resilience/sustainability.
- Developing sustainable community tourism.
- Supporting strategic community events, for example, heritage/festivals infrastructure/development.
- Safeguarding, restoring, enhancing or interpreting the coastal environment all across Orkney by the Community.
- Empowering, supporting, developing, participation & networking of young people (0-30 years) and their facilities/services/opportunities within the community.

Projects which intrinsically have the potential to bring the Council into disrepute or cause harm to the reputation of Orkney will not be considered.

### **What can it fund?**

The scheme can consider both capital and revenue costs. Funds from this scheme can be used to pay costs including:

- Buildings (this may include construction costs, upgrades and associated professional fees)
- Professional fees
- Consents, permissions
- Non recoverable VAT
- New equipment



- Participatory budgeting
- Salary Costs
- Project overheads
- Volunteer expenses
- Core running costs in special circumstances showing new, additional or innovative offer.
- Continuation of ongoing revenue projects in special circumstances showing new, additional, or innovative offer.

All costs must be essential for the project to be successfully delivered. All project costs must be additional to core organizational costs (unless in special circumstances) which would be incurred even if the project did not go ahead. Applicants must demonstrate that project costs are value for money and provide evidence to support this. Grants are paid out only on submission of evidence of actual expenditure. In exceptional circumstances there can be the opportunity to receive up front grant payments to ensure a positive cash flow is maintained throughout the project. However, there would need to be a clear justification for this request and it would need to be identified during the application stage so the request can be considered as part of the overall application.

This scheme will not consider the following:

- Purchase of land or buildings
- Projects which result in displacement of existing activity or may otherwise be to the detriment of existing project(s)/organization(s) or businesses
- Political or religious activities will not be ordinarily eligible, unless broad community benefit can be demonstrated
- Items that benefit individuals
- Loan repayments, service charges arising on finance leases, hire purchase, credit arrangements, fines, financial penalties and expenses of litigation
- In-kind costs and contributions
- Services that are the responsibility of central or local government
- Project costs that have already been committed to or spent prior to the project start date
- Project costs incurred or invoiced after the project end date
- Costs involved in winding up a company or organization
- Payments not supported by invoices and/or documents proving expenditure
- Onward distribution of funds (unless for an approved Participatory Budgeting event in line with the guidelines)
- Consumables – unless directly related to delivery of the project
- Repair and maintenance costs deemed as unplanned, reactive works as part of routine works for buildings, plant, equipment or any other items
- Applications made for speculative projects
- Items that only benefit an individual i.e. prizes, gifts, awards, and alcohol
- Any other costs deemed ineligible

**How much can you apply for?**



The scheme can support Young People's (0-30 years) projects as follows:

- Up to 100% eligible costs, although match funding will be more favourably viewed.
- Grants between £100 and £3,000.
- Total annual funding pot £10,000.

The scheme can support revenue and/or capital projects as follows:

Feasibility/design/development grants

- Up to 50% eligible costs
- Grants between £1,000 and £25,000

Delivery grants

- Up to 50% of eligible costs
- Grants between £1,000 and £50,000
- The grant can be spread over more than one financial year

Grants higher than 50% and up to £100,000 would be considered in exceptional circumstances over more than one financial year and upon evidence of all other match funding options being exhausted.

Applications that are a strong fit with the priorities and deliver on the outcomes will be prioritised for funding.

The Council has an obligation to ensure that the level of grant awarded to an applicant is in line with the UK's international obligations on subsidy control.

### **Match Funding**

Applicants will be expected to demonstrate that all possible avenues of external match funding have been investigated. Match funding needs to be explored with other agencies but not yet approved. The OIC CECLDF can be used as an initial funder to enable other funds to be leveraged although all match funding must be declared before beginning the project. First time applicants will be prioritized for funding over repeat applicants in the event there are insufficient funds to support both projects. Other Scottish Government, HIE and Orkney Islands Council and other external funds could be used towards match funding. Funding Scotland which is funded through SCVO has potential funding sources [Funding Scotland](#), as does the Scottish Rural Network [Scottish Rural Network](#), the local Voluntary Action Orkney officers and Council Officers.

All match funding secured from other sources for the project activity must be transparently declared in the grant applications and any changes to this funding package notified to the Council.

**Application Process/ technical assessment/Subsidy Control Regulations.**

This scheme will have a two-stage application process. Applicants are strongly encouraged to discuss their potential projects with Council CLLD officers in advance of submitting an Expression of Interest form and again before submitting the second stage application.

Stage One is an expression of interest and applicants are required to clearly demonstrate what outcome(s) and impacts their project will deliver. Potential projects must have a strong fit to the overarching policy and funding priorities. Potential projects deemed to have a weaker fit are likely to be turned down at this point.

Stage Two requires completion of the full application form **and is by invitation only**. Stage Two applications will be required to include a range of supporting documents as indicated in the list below. In some instances, applicants will be required to provide a Business Plan or a Project Plan along with the completed application form and will be informed of this need on a case by case basis.

Stage Two applicants are required to supply the following:

- Governance document such as Constitution, Memorandum and Articles of Association, Partnership Agreement
- List of Directors/trustees/committee with relevant experience
- Organisational Policies where relevant (e.g. equal opportunities, health & safety, Protection of Vulnerable Groups, environmental)
- Evidence of Ownership of property or long term lease/landowner permission (if applicable for capital project)
- VAT registration number if applicable
- Evidence of need and/or community support
- Permissions and statutory consents confirmed where applicable (e.g. planning permission, building warrant)
- Confirmation of match funding (or submission of application and likely date of outcome)
- Business Plan or Project Plan
- Project cash flow (essential request for any up-front payment request from an applicant)
- Photographs, plans, drawings as appropriate to project
- Quotes or tenders for project costs
- Most recent 3 years audited/certified annual accounts
- Most recent bank statement covering a period of 3 months
- Amount of public funding in the last 3 financial years
- Relevant insurance policy certificates
- Job profile and person specification (if applicable for revenue project)
- Letters of support
- Any other appropriate information as requested

In compliance with the Subsidy Control Act 2022 ("the Act"), it is likely that where the award qualifies as a subsidy, the award will be made on the basis of the Minimal Financial Assistance ("MFA") in line with Section 36 of the Act. This allows a business to receive up to £315,000 of subsidy over a rolling three financial year period (including the current one). The £315,000 threshold is subject to



cumulation rules and will, therefore, take into account other MFA subsidies, SPEI (Services of Public Economic Interest) assistance, SAFA (Small Amounts of Financial Assistance) and De Minimis awarded in the three-year period. If the applicant has been in receipt of any previous grants, they will be asked to provide details to the Council of such aid received in the three-year period prior to submission of their application.

For information, the subsidies referred to above do not include the various Government COVID grants during the pandemic, which were issued as emergency aid. If you have any questions about this, please get in touch using contact details above.

For further information, please see: Subsidy control: guidance - <https://www.gov.scot/publications/subsidy-control-guidance/>

### Decision process

Administration of the fund will be co-ordinated by Council staff in Community Led Local Development.

Project applications will be assessed by the Orkney Local Action Group with a recommendation passed to the Council's Assessment Panel for consideration, along with the application, by the Corporate Director for Enterprise and Sustainable Regeneration, in consultation with the Leader, Depute Leader, Chair and Vice Chair of the Development and Infrastructure Committee, together with the Chair of the Orkney Local Action Group, established to deliver the 2014-20 LEADER Programme.

### Assessment Criteria

The following Criteria will be taken in account when determining funding awards:

1. **Strategic Fit** – To what extent does the project align with at least one of each of the priorities of the Orkney Community Planning Partnership, The Council's Plan, Local Development/Place Plans and the specific OIC CECLDF Priorities
2. **Proportionality** – Does the project contribute to the aims of the OIC CECLDF proportionate to the funding being requested?
3. **Project Need/Demand and Community Engagement** – Does the project meet an identified community need or opportunity, has this been evidenced sufficiently and is there sufficient community engagement?
4. **Need for grant** – Is the grant requested the minimum amount required for the project to proceed and have other sources of match funding been adequately explored?
5. **Capacity to deliver** – Does the organization, project plan/business plan have capacity to deliver (financial and staff/volunteers) as set out and on time?
6. **Legacy and Sustainability** – Will the project deliver a lasting legacy beyond its lifetime and be sustainable once grant funding has ended?

### When to apply

Stage One Expressions of Interest forms can be received at any time.

Stage Two applications and all the evidence documents must be received at least six weeks before a LAG/Council Assessment Panel meeting.

Dates of LAG / Council Assessment Panel will be notified and displayed on the Council's [Crown Estate Community Led Development Fund page](#).

**Projects cannot start work until the applicant has received and accepted the grant award letter.**

Applicants can only have one OIC CECLDF grant approval at a time (unless in exceptional circumstances). Stage One applications may be submitted at any time but applicants will not be invited to proceed to Stage Two until their existing OIC CECLDF project has been completed and the file closed

### Guidelines for Best Value

Applicants to the OIC Crown Estate Community Led Development Fund must be able to justify actions taken and demonstrate best value for public funds as part of its stage Two grant application. To that end, please refer to the following thresholds in the Table below:

Goods, works and services	Best Value requirements
Under £1,000	One quote required, although value for money must be demonstrated
Between £1,001 and £10,000	Minimum of two quotes sought*
Between £10,001 and £50,000	Minimum of three quotes sought*
Over £50,001	If a non-public authority body, evidence of tendering in the local newspapers, details of the chosen tender and scoring** If a public body, Competitive tendering sought, details of chosen tender and scoring**

\*In the event the required number of quotes/tenders are not received by the applicant, the applicant is expected to demonstrate the process undertaken. This could include providing copies of invitations to quote or tender for the project, an explanation that quotes/tenders were not readily obtainable for more than one supplier or contractor, or it can be demonstrated that no equivalent is available otherwise for technical reasons or other reasons. It may be that there is only one provider who has the necessary skills or equipment to undertake the work.

\*\*More formal tendering process required. Please note this may require you to obtain appropriate professional advice e.g. architectural, quantity surveying, legal, planning, insurance etc.

Quotes from a supplier of the product or service need to be sent to the applicant and contain the company name and address, date, name of the individual within the company supplying the quote, company registration number (if they are a limited company), VAT number if applicable, a detailed



itemized breakdown of costs with a price which is either inclusive or exclusive of VAT depending on VAT registration. Quotes that do not meet the requirements will be rejected.

### **Recruitment of funded posts**

Applicants to the OIC Crown Estate Community Led Development Fund seeking to employ staff as part of their project must ensure and demonstrate they have undertaken an open recruitment process for funded posts.

This should include the following:

- Post advertised
- Job profile & personal specification prepared
- Shortlisting and interviews conducted
- Appropriate level of pay (evidence benchmarking with similar posts)

In exceptional circumstances existing staff will be considered if there is sufficient evolution, additionality, innovation, best value and transparency.

### **Travel and Subsistence**

Travel and subsistence are granted and paid in line with Orkney Islands Council rates (Details available on application). These must be evidence by original receipt, a staff/volunteer claim form detailing the amount and reason for the claim relating to the project which is then signed by a staff/committee member, evidence of payment by the organization.

### **Data Protection Act 2018 / Freedom of Information (Scotland) Act 2002**

The information provided by you is processed in accordance with the Data Protection Act 2018 to allow us to effectively manage the Council's Grant Aid Schemes. The Data Protection Act 2018 gives you the right to know how we will use your data. Further information about how we use your personal data is available from the Council's website at [OIC Data Protection Policy](#).

Please note that your information, should you be successful, will be stored by the Council for 5 years plus current year before being destroyed. The information for unsuccessful applications will be stored for 1 year plus current year before being destroyed.

Please note the Freedom of Information (Scotland) Act 2002 gives any person the right to request certain information we hold. The Council regularly releases information about grant awards and information regarding your application may be made available to the public. Any personal information provided will be processed in accordance with the Data Protection Act 2018.

The Grantee shall ensure that all requirements of the General Data Protection Regulation 2018, or any subsequent amendment or variation of the legislation thereof, are fulfilled in relation to the Project. The Data Controller is Orkney Islands Council with data processed and stored by OIC and members of the Local Action Group as the body advising on scoring of projects.

### **Claim**



Claims for the project costs must be made to the Council's CLLD staff in a timely manner. Costs will be paid out retrospectively on evidenced expenditure incurred by the organization up to the maximum contractually agreed amount. Special allowance will be made on a case by case basis, on bank statement/cash flow evidence, to those organisations that can demonstrate the need for upfront payment to assist with their cash flow. This requirement must be captured at the application stage and if approved, payment of grant at the agreed intervention level, can be released on evidence of invoices, enabling the applicant to make project payments to the supplier/contractor once funds from the OIC CECLDF have been transferred into the claimants account.

An on site inspection of the project will take place by one of the CLLD team before the final claim is paid to the applicant and completion of the project. Other visits may also be required in the duration of the project.

Applicants will be required to record specific claim data which will be shared with the Social Value Engine and used to assess the social value to funded projects to the community as part of the monitoring/evaluation process.

### **Monitoring/assessing impacts and Evaluation**

Recipients of OIC Crown Estate Community Led Development funding will be required to monitor delivery, measure the impact of their project and provide evidence of the improvement to agreed outcomes. This could include providing regular performance information, and/or project evaluations and case studies as appropriate.

The Council's Enterprise and Sustainable Regeneration Directorate will report on the OIC Crown Estate Community Led Development Fund grant scheme annually to the Council Development & Infrastructure Committee, community and partners. This report will include information about the projects funded, the impact of projects against outcomes and case studies.

Projects in receipt of OIC Crown Estate Community Led Development funding will be required to provide an end of project report and a further project evaluation one year after completion of project to demonstrate outcomes achieved.

Outcomes in this case are the things that result from the project. An outcome is not the provision of a service or the delivery of a project, but the tangible difference it makes to the lives of service users or the community through being provided or delivered. Improving outcomes means making things better for people living in Orkney. Below are some examples of Key Outputs and Outcomes but the CLLD Staff will assist in finding those most appropriate, which may differ from below, depending on the project:

### **Key Outputs**

New and existing community facilities developed and improved.

Decarbonization and the use of renewable energy at community facilities.

Improve community resilience in food supply, connectivity and energy

Better access to sites



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Riaghaltas na h-Alba  
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Improvements to the coastal environment

Outputs that develop community economic resilience.

Outputs that develop added value for key economic sectors

Jobs safeguarded or created (FTEs)

### **Key Outcomes**

More visitors are attracted to community sites and facilities throughout Orkney

New market opportunities for target community sectors

Built heritage sites and facilities conserved and enhanced

Improve outcomes for inequality, reduce poverty and disadvantage in community terms.

Increased community skills and capacity, groups become more sustainable

A diversity of communities supported across Orkney

More intergenerational activity

Natural heritage sites & wildlife conserved and enhanced

People enjoy improved access to natural heritage

Decarbonisation measure for community facilities is more widely adopted

Additional funding leverage for Orkney

Partnerships are strengthened, benefitting communities

### **Longer term Outcomes**

Increased population & broader age profile in fragile communities

Community organization's sustainability is strengthened & increased

### **Publicity/Logos**

The OIC Crown Estate Community Led Development Fund is wholly funded by Scottish Minister's via the Scottish Crown Estate and administered by the Orkney Islands Council with consultation with the Local Action Group. If the project is a revenue project for staff resources their email signature should acknowledge the funding with the appropriate logos and a poster should be displayed in the office. If the project is a capital one then a plaque with the relevant logos should be publicly displayed. Projects successfully awarded funding require to ensure that there is appropriate acknowledgement for the



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funding in press/media releases, website and or project publications and publicity material. The Council's CLLD staff will provide successful applicants with the relevant logos.