

# **RENEWABLE ENERGY COMMUNITY BENEFIT FUND**

**Proposed Community Fund  
Consultation**

**Final Report**

*Prepared by Bob Yuill, Scottish Agricultural Organisation Society Ltd (SOAS)*

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## SAOS – Main Recommendations

- I. This report is made widely available to inform the communities of the recommendations towards the set up and governance of the proposed Community Benefit Fund.
- II. The concerns expressed are used as succinct references juxtapose the negotiations that are yet to be completed for the annual amount of the fund. *(Paragraph 18)*
- III. There is clear support for the management organisation to be set up as a Co-operative for the Benefit of the Community and this is the structure that is actively pursued. *(Paragraph 23)*
- IV. Model rules for the registration of a Co-operative for Benefit of the Community are available from Co-ops UK and registration is carried out soonest. *(Paragraph 25)*
- V. The clear expression from the consultation is for a community owned and governed fund that is fully flexible and independent, SAOS recommend that any Fund organisation is not a registered charity. *(Paragraph 37)*
- VI. There is a two tier governance system where both the Community Councils and the Members are actively involved in the selection and appointment of board members. *(Paragraph 27)*
- VII. The fund organization is established as soon as is practicable, and agree a community fund contract with Viking Energy as soon as possible. *(Paragraph 40)*

## **Overview**

- a) The proposed wind farm being developed by Viking Energy Ltd could affect Shetland's communities. This is recognised by Viking Energy Ltd and they are offering benefits in the form of an annual fund for the lifetime of the wind farm. It is important that Shetland folk are happy that any fund from any renewable energy providers will be distributed equitably and fairly and on projects that provide real and lasting benefit.
- b) SAOS, the specialist in the development of co-operation and joint ventures within rural Scotland, was commissioned by Voluntary Action Shetland (VAS) to undertake a consultation exercise. The consultation is guided by a Steering Group set up by the Association of Shetland Community Councils with representatives from various Community Councils whose administration is assisted by VAS. The focus of the consultation is identifying a suitable organization and its governance that most closely meets community's needs, setting out initial priorities for such a community fund, and taking cognizance of community concerns.
- c) The consultation provided a briefing paper and a website that explained the consultation and invited responses. The briefing paper was distributed as an insert to the Shetland Times, and web access to the briefing paper was provided by a link from the VAS website. In total, 177 people responded to the consultation and provided written responses.
- d) The consultation also invited folks to attend meetings held at Cullivoe, Cunningsburgh, Lerwick, Symbister, Aith and Voe. Only a few attended the various meetings. The low attendance was attributed to inclement weather (the meetings at Aith and Voe were postponed due to snow) and the number of other consultations ongoing at the time. In this respect, a draft report was made available to provide additional feedback before conclusions and recommendations were finalised. Of the people who did attend the meetings many represented Community Councils and various groups, and were very well-informed of various issues surrounding the potential wind farm fund.
- e) There were 89 written responses indicating priorities that would benefit from any Fund. The top six priorities in order of the number of individual responses received are support for:
  - services and facilities;
  - business;
  - renewable energy options;
  - groups;
  - travel;
  - paths, walks & amenities;

- f) There were 93 written responses stating concerns about the fund and the wind farm in general. The top six concerns in order of the number of individual responses are concerns about:
- governance;
  - timing of consultation;
  - SIC & Charitable Trust involvement;
  - community re people and fairness;
  - community re environment & countryside;
  - general wind farm opposition.
- g) 46% of respondents (81) indicated that they are opposed to the wind farm and felt uncomfortable responding to the consultation.
- h) Of those respondents who indicated their preference for the type of organization and its governance, 74% indicated a preference for a Co-operative for the Benefit of the Community, and 77% that the membership be open to all residents on the Shetland Islands. It is clear from the overall response that any fund organization has to be open and transparent with real community ownership across Shetland.
- i) The consultation asked if the organization should have charitable status and only 30% of respondents (53) indicated a preference. The primary point arising concerns flexibility of the fund for provision of support to the widest range of projects that might otherwise be precluded by charitable restrictions e.g. business assistance to a new sole trader. Many view the role of the fund to be distinctive from the Charitable Trust. This has to be balanced within the context of the additional governance and reporting requirements that is required by the Office of the Scottish Charity Regulator. In this respect, if not a registered charity, the governance of the fund will require total transparency and close audit to meet with the governance concerns clearly expressed by the consultation.
- j) Around 40% of the concerns within the written responses are either about governance or concerns over potential linkage with Shetland Islands Council or Shetland Charitable Trust. It is apparent that there is a level of trust between communities and their Community Councils and they should have a distinct role with the governance of the fund.

## *Renewable Energy – Community Benefit Fund*

- k) The consultation suggests that the fund organization should be a Co-operative for the Benefit of the Community and that its membership should be open to residents in the Shetland Islands. In order that these communities are all represented it is recommended that each Community Council<sup>1</sup> nominates a person to the governing Board of the Co-operative – this would be 18 persons. It is recommended that there also be 3 independent representatives with particular skills and knowledge. At each AGM members would formally vote on, or otherwise, the nominated persons to the board, perhaps called a governance board. It is recommended that the main function of the governance board would be to elect a smaller executive board (say 6 persons) to operate the fund on a day to day basis and oversee its operations; also the governance board would elect an audit committee to oversee and ensure probity of the fund and report to the members at each Annual General Meeting.
- l) The fund amounts have not been clearly stated by Viking Energy and there were questions raised about this. An initial ‘disturbance fund’ of £1,500,000, payable when (if) planning permissions are granted, has been mentioned; however, no annual figure has been stated. A benchmark of £5,000 per Mw installed per annum is equivalent to that being offered by developers working in partnership with the Forestry Commission. The proposed wind farm has an installed capacity of 457 Mw and so the annual fund could be £2,285,000. It is recommended that the fund organization be established immediately, and agree a community fund contract with Viking Energy as soon as possible as any negotiation strength may be weakened if planning permission is granted.

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<sup>1</sup> 1. Bressay  
2. Burra and Trondra  
3. Delting  
4. Dunrossness  
5. Fetlar  
6. Gulberwick, Quarff and Cunningsburgh  
7. Lerwick  
8. Nesting and Lunnasting  
9. Northmaven  
10. Sandness and Walls  
11. Sandsting and Aithsting  
12. Sandwick  
13. Scalloway  
14. Skerries  
15. Tingwall, Whiteness and Weisdale  
16. Unst  
17. Whalsay  
18. Yell

## **Discussion and recommendations**

### **The consultation**

1. SAOS was commissioned by Voluntary Action Shetland under the guidance of a Steering Group with representatives from various Community Councils set up by the Association of Shetland Community Councils. The steering group is comprised of members who have various views about the wind farm.
2. SAOS is commissioned to produce a document stating clear recommendations to the communities and the Steering Group of the most appropriate administrative model, the results of the survey, and a list of potential projects the communities would wish to sponsor from the proposed community fund.
3. SAOS specialises in the development of co-operation and joint venture within rural Scotland. Bob Yuill (Deputy Chief Executive) has conducted various wind farm fund community consultations over a number of years throughout the country. His first consultation was in his own community concerning the Clashindarroch wind farm at Huntly in 2005.
4. SAOS clearly declare that wind farm fund consultations are an imperfect process, simply because the process and the communications with developers to consider / negotiate any fund infers that the wind farm will be built , during which time the project is working through a planning process – inferring a Faustian pact ! Concerns were clearly expressed by many responses (25) stating that the consultation was premature, and 46% of respondents (81) indicated that that they are opposed to the wind farm and felt uncomfortable responding to the consultation.
5. In SAOS' experience, the consultation process and negotiation with developers does not positively impact on the planning process. As an example: during the Clashindarroch planning application, the Public Enquiry made no mention of the potential fund. Discussions during the Shetland consultation raised the issue and some noted concern that negotiations may be weakened if conducted after any planning approval – a risk that Developers will move on and any fund may become a minor reflection.
6. In consideration of this 'imperfect process' SAOS wish to thank the many people who are clearly opposed to the wind farm for stating their concerns, particularly those who in addition to stating concerns also provided guidance on potential projects and the governance of the proposed fund.

7. The consultation with the communities comprised a number of elements:
  - A briefing paper (Appendix 1) explaining the consultation and invited responses. 11,000 were distributed as an insert to the Shetland Times on 1st October 2010.
  - A page on the VAS website that also provided a link to the web based briefing paper.
  - A consultation response form (amalgamated with the briefing paper), also available by web link.
  - Six community meetings held at Cullivoe, Cunningsburgh, Staney Hill, Symbister, Aith & Voe.
  - Guidance and information from the steering group (of the proposed fund) set up by the Association of Shetland Community Councils.
  - A brief meeting with representative(s) of Sustainable Shetland and Viking Energy, and general conversations with various individuals.
8. The consultation was variously promoted between 1st October 2010 and 18th February 2011, by adverts in the Shetland Times, the VAS website, Radio Shetland, SIC staff bulletins and posters<sup>2</sup>.
9. 177 people responded to the consultation by completing the response form on paper or via the web. There were 93 written responses stating concerns about the fund and 89 written responses indicating priorities that would benefit from the funding.
10. Only a few attended the various meetings. The meetings to be held at Aith and Voe on the 26<sup>th</sup> and 27<sup>th</sup> of November had to be postponed due to snow and they were held on the 22<sup>nd</sup> and 23<sup>rd</sup> of February when the weather was heavy rain and wind.

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<sup>2</sup> 01/10/10 – VAS Website, 11k copies of flyer in Shetland Times. 08/10/10 Editorial Shetland News, Bob Yuill – Radio Shetland Interview, 22/10/10 – 27/11/10 Advert on Shetland News website, 03/11/10 SIC Staff Bulletin. 08/11/10 Editorial Shetland Times. 19/11/10 Shetland Times Advert, 11/02/11 Shetland Times Advert, 18/02/11 Shetland Times Advert, 18/02/11 SIC Staff Bulletin, 18/02/11 VISIP E-Bulletin & Posters for shops in Aith, Voe, Brae, Whiteness Weisdale.

11. The low attendance was attributed to inclement weather and the number of other consultations ongoing at the time. Comment was also received that the low attendance could indicate general fatigue concerning providing more commentary about the proposed wind farm, particularly if commentary invites argument.
12. However, of the people who did attend the meetings many represented Community Councils and various groups and were very well-informed of various issues surrounding the potential wind farm fund.

### **Consultation written responses**

13. Following the consultation a number of recommendations can be made with regard to the Fund, its management and the projects.
14. The written responses stating concerns about the fund are transcribed at Appendix 1. The written responses indicating priorities that would benefit from the funding are transcribed at Appendix 2.
15. The various response sentences are not edited; but, where there were a number of subject areas contained within the one response, certain subject sentences are separated under appropriate subject headings to assist with interpretation.
16. There were 93 written responses stating concerns about the fund and the wind farm in general. Of the concerns expressed, general governance was the main concern and when combined with the responses stating concerns about Shetland Islands Council and/or the Shetland Charitable Trust involvement, there is a significant view that the Fund must have exemplary administration and governance, and be independent from existing institutions.
17. Concerns about the timing of this consultation and the type/methodology of consultation are expressed clearly by the responses. Please refer to Paragraph 4.
18. Communities, both with respect for the people and the environment, are a considerable concern for many. In most respects the proposed Fund is (in some way) compensation to communities for the changes to their environs imposed by the wind farm. SAOS recommend that the concerns expressed are used as succinct references juxtapose the negotiations that are yet to be completed for the annual amount of the fund. (SAOS are mindful that for many respondents any fund cannot adequately compensate the community and its environs)

### *Renewable Energy – Community Benefit Fund*

19. There were 89 written responses indicating priorities that would benefit from any Fund. The largest number of responses considered support for services and facilities around Shetland. This is consistent with the fact that many services noted are those that most directly affect folk's day to day lives; it is also consistent with Shetland Islands Council reviewing various service provision due to recent budget constraints. At various meetings concern was expressed that any Fund does not 'substitute' various duties/expenditure of the Council.
20. The next largest number of responses point to support for small business and business development as a priority. Comments from meetings indicate that any Fund could be a helpful addition to the charitable based support provided by the Shetland Charitable Trust, filling the gap left by the constraints imposed by the charitable objects of the Trust, particularly assistance to new start businesses. Other comments in conversation noted that any Fund could be less bureaucratic and not so risk averse as current small business support.
21. Responses outlining support for renewable energy options and energy conservation are significant. This is an area of support that wind farm developers are usually most keen to support, in that it underlines their own 'green' credentials. Given that there are a number of responses outlining a case for cheaper fuel/electricity, which in SAOS' experience cannot be supported; this could be balanced with support for a home insulation strategy.
22. The other main priorities outlined included support for clubs/groups, travel and amenity projects particularly paths for walking and cycling.

**The Organisation to Manage the Fund**

23. Of those respondents who indicated a preference for the type of organization and its governance (86), 74% indicated a preference for a Co-operative for the Benefit of the Community<sup>3</sup>. This would indicate that there is clear support for the management organisation to be set up as a BenCom and SAOS therefore recommend that this is the structure that is actively pursued.
24. Given the concerns expressed about governance, the choice of a BenCom may in-part be due to the definition of a co-operative centred on members' control of the organisation and having their voices heard independent of pressure from outside funders or government institutions; members get to decide what happens to the revenue stream and how it is used to help fund work for their local communities. Co-operatives offer an alternative governance model, one that puts values and principles<sup>4</sup> at the heart of everything they do.
25. Model rules for the registration of a BenCom are available from Co-ops UK. The cost of registration with the Financial Services Authority through Co-ops UK in Manchester will be in the order of £1,500. SAOS recommend that registration is carried out as soon as is practicable.
26. Concerning the membership of the organisation, of those respondents who indicated a preference (87) 77% indicated a preference for a membership that is open to all residents on the Shetland Isles. This is consistent with the Co-op principle of voluntary and open membership and autonomy and independence, and is consistent with the various concerns expressed on governance and independence from existing organisations.
27. However, within the concerns expressed some mentioned that the Fund 'should work in tandem with Community Councils' and this theme also arose at the meetings and other conversations. This apparent dichotomy may be best resolved by utilising a two tier governance system where both the Community Councils and the Members are actively involved in the selection and appointment of board members.
28. SAOS recommend that each Community Council nominates a Member (in agreement with the Member) to stand for election at each AGM. The Members at each AGM 'vote' on, or approve, each nomination whilst retaining the power to not approve, requesting the relevant Community Council to nominate an alternative if required.

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<sup>3</sup> Often shortened to 'BenCom'

<sup>4</sup> Voluntary and Open Membership, Democratic Member Control, Member Economic Participation, Autonomy and Independence, Education Training and Information, Co-operation among Co-operatives, Concern for Community.

29. Given that there are 18 Community Councils (Footnote 1), a board of this size is likely to be too large to efficiently deal with the normal day to day operations of the fund. The recommendation of SAOS is that the principal responsibility of this board, (which for convenience might be called a Governance Board), is to nominate an Executive Board (between 6 and 8 persons) who deals with the day to day operations, plus an Audit Committee to liaise with an auditor approved by the Members and is independent from the Executive Board. It would also be the job of the Governance Board to lead general policy concerning the use of funds and liaise with the membership at a local level concerning this policy. An initial guide is as follows:

30. Governance Board's main role may be summarised to ensure that:

- Funded projects are in accordance to the objects of the organisation.
- Effective monitoring criteria are used and evaluate the effectiveness against them.
- The organisation accounts for the fund operation to members at an AGM each year.
- Organisation understands and accounts for the various interests of the communities.
- There is monitoring and evaluation of other stakeholder relations.
- The organisation acts within the law at all times.

In view of the role noted above, it is recommended that there also be 3 independent representatives with particular skills and knowledge.

31. The Executive Board's main role may be summarised to ensure that

- Any funding stream from Viking Energy is consistent with the agreement with them.
- The fund application criterion is in accordance with the policy set out by the Governance Board.
- There are effective procedures to oversee and judge the validity for each application of funds.
- Payments from the fund are made timeously.
- The administration functions are efficient and correct.

32. The Audit Committee's role may be summarised to ensure that:
- Internal accounting controls are effective.
  - The external auditor is given access to all accounting functions
  - There is transparency into the administration of the fund for the Governance Board and Members.

### **Charitable Status**

33. The consultation asked if the organization should have charitable status and only 30% of respondents (53) indicated a preference. There was acknowledgement at the meetings and in general conversation that the choice of whether or not to have Charitable Status represents a difficult choice.
34. On the one hand Charitable Status provides for a final Governance check; and, may mean that the net proceeds to the proposed Fund are larger, in that Viking Energy will not need to have paid tax on the money before disbursement.
35. On the other hand, Charitable Status will provide restrictions as to how the money may be spent, which may affect many of priorities expressed e.g. that the fund should provide support to new and small business; also, that the Shetland Charitable Trust is an existing charity, and if in the event the wind farm becomes operational, it will be drawing down funds in return for their investment.
36. With the consultation responses indicating a central theme that this proposed Fund be autonomous and independent, consideration should be given that if set up as a charity, the awarding body (Viking Energy), may wish to exercise a right with respect to their charitable giving to state how the funds should be spent. (This is common for other wind farm funds)
37. Given that the clear expression from the consultation is for a community owned and governed fund that is flexible and independent SAOS recommend that any Fund organisation does not register as a charity. However, any Fund will require total transparency and close audit to meet with the governance concerns clearly expressed by the consultation. Also, consideration needs to be given to funding being received as revenue, which will require matching expenditure each year to avoid paying income tax.

**The Fund**

38. During the meetings and various conversations many questions were raised about the value of the fund and clarity is now requested in order that the communities have a clearer understanding of what they are dealing with.
39. An initial ‘disturbance fund’ of £1,500,000, payable when (if) planning permissions are granted, has been mentioned; however, no annual figure has been stated. A benchmark of £5,000 per Mw installed per annum is equivalent to that being offered by developers working in partnership with the Forestry Commission<sup>5</sup>. The proposed wind farm has an installed capacity of 457 Mw and so the annual fund could be £2,285,000.
40. SAOS recommends that the fund organisation be established as soon as is practicable, and agree a community fund contract with renewable energy providers as soon as possible. The concern being that any negotiation strength (such as it may exist) may be weakened when planning permission is granted.

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<sup>5</sup> <http://www.forestry.gov.uk/newsrele.nsf/byunique/D1FD66F420CF4FA08025783A002F127F>

## Appendix 1

### Please state any concerns you have about the fund?

#### Governance Concerns

In light of the difficulties that appear to beset anyone in Shetland that tries to manage community funds, I would like to see some kind of guarantee that not only are the funds managed properly/effectively/to the satisfaction of the community, but that should they not be, those responsible for the mismanagement are removed from that responsibility immediately.

Cost of admin kept to a minimum. No use of consultants. Just employ people who know what they're doing.

This it will be siphoned off and not used for benefit of the people. No cheaper electricity so PEOPLE must be compensated somehow, not the "officials"

To be run by elected people out with the SIC Community Councils in each area might work

No concerns just as long as we have wise heads making decisions

Too much to areas closest to wind farm or whatever development ?

#### Charitable Status

That many individuals will not benefit and that only certain sectors or groups will receive benefits from the fund

Fund being controlled by larger communities for thier advantage, leaving the more remote communities without any benefit unless prepared to travel considerable distance.

Should work in tandem with Community Councils

That funds should not be frittered away on fancy iconic projects, rather to be fully utilised to assist everyday run of the mill projects and organisations.

It's relationship with Charitable Trust Fund - overlap, tax implications.

Being wasted on mis-managed fish farms

The administration & governance must not be in the hands of same people for an indeterminate time. Must complement other funding bodies

That the surrounding parishes most affected by the scheme are not treated favourably. The fund needs to be used where possible to support good causes / grant applications reach matching figures required from other grant bodies before offering financial support. It would be inadvisable to provide assistance where funding is the responsibility of statutory bodies / legislation

That decisions are made by a committee/trust in conflict with existing services provided by the Council - there needs to be an understanding, and an agreement, as to where responsibility lies within the community. That it becomes a 'free-for-all' where applications for funding are submitted (or granted) without any consideration of value for money, sustainability, or how they compete against existing services. That, on the surface, it may appear 'democratic' but will ultimately be focused on those who shout the most. That people will lose any responsibility for accountability if there are large amounts of funding available, there still remains a necessity for public funding to be fully scrutinised.

That it should be, but might not be managed better than oil money. It will be hijacked by people who move to Shetland with the single purpose of sponging off our wealth.

Controlled by small elite for their own benefit Mismanaged Not enough emphasis on stimulating other economic activity on island.

Money shouldn't be used for large commercial schemes which are out of scale with environment - smaller ones which would spread out benefits would be more suitable, Any scheme should have golden share owned by public money - not 46%/54% as VE & investment is too large and risky in this case,

Or spread risk by investing small amounts over larger areas (which perhaps is being done already!), Public money such as this shouldn't go to large scale housing out into countryside, To do up brown field sites for housing, Yes ie Old Library and eventually (old) Anderson Hg. ie not where there is an excess of divided opinion, Amount of growth shouldn't be too high - so there would be less need to take in outside labour Perhaps should run on the lines as a friendly society Where the board would be voted yearly - everyone would be allocated a share, and they could add money if they wish Don't know enough about this but voting for board should be yearly and all transactions should be transparent - not as was decision over Viking Project in 2008

Need for democratic control unlike present situation with Shetland Charitable Trust

It mustn't become the fiefdom of relatively unanswerable appointees.

It does not work in a strategic sense, and goes on to fund things that the community and/or local agencies do not support. It creates a future revenue burden, due to unsustainable projects being funded that will rely on the new fund to exist with annual grants etc. Lack of transparency and accountability from Fund managers. It de-motivates local groups for trying to bring external funding into Shetland as it is deemed "easier" to secure this money.

Criteria should be set up in advance - NOT a free for all Annual accountability to a monitoring body from all beneficiaries

If it was run by a coop everyone would benefit

Then we all benefit - not other quango.

I feel only owners of Viking Energy and the landowners affected will be all that will benefit.

The wind farm should be owned by the community and not Viking Energy.

This fund is basically just a sweetener so a few people can make a fair bit of money for themselves.

That the money will not provide life enhancing opportunities.

**Timing consultation concerns**

I am concerned that it is being used as a "carrot" to sway opinion. I fear that the promise of money will sway those who do not really care about the proposals to feel it is of benefit, without considering other issues that this proposed wind factory brings. It would seem to be more prudent to have had this exercise only if this proposal has to go ahead. I wonder why it is happening now and not when it might be a certainty.

It looks like it has already been decided that the windfarm will go ahead if we are being asked how the funding will be spent.

Not fund - consultation about the proposed fund - better to wait until the proposed wind farm becomes a reality.

Counting chickens before they're hatched is bad enough, but counting them before the eggs are laid is quite a different matter. As there is no other option, please allow me to voice a concern about this questionnaire and other matters in this space. "guided by a steering group" what steering group? When was it set up and by whom? Who are its members? Were they elected? Were they chosen in some other way? If so, how? This questionnaire is by far the worst designed I've come across in a long time - the demographic equivalent of a straightjacket. It simply does not give respondents enough options. Where's the democratic process? There's no "don't know" option, let alone scope for folk to come up with their own options and ideas. It seems all has been decided already - by whom and how I wonder? Perhaps the steering group? There is no information about this in your leaflet. Finally: "please tick if you are opposed to the windfarm and FEEL UNCOMFORTABLE responding etc. it is preposterous to assume what or how people feel, and extremely unimaginative to allow them only one feeling. I am opposed to the wind farm but don't feel the least bit uncomfortable responding, which means I feel compromised and irritating by ticking the relevant box. When/if you design another questionnaire, please don't hesitate to ask for my help - you have my contact details.

This latest exercise is the means by which the developers seem to buy the silence of the community. It is risible.

Consultation on this fund is premature, it is nothing more than yet another cynical manoeuvre by the Viking Energy wind farm lobby to promote this inappropriate development. To dangle a carrot of possible future income, in other words how we going to spend money we don't even have, is grossly irresponsible. For the steering group to be chaired by such a high profile individual in the Wind Farm Supporters Group is also inappropriate.

Another spurious attempt to encourage support for this uneconomical project.

This consultation? is totally premature & smacks of V E publicity/bribery. Your organisation should only become involved if and when the fairy tale becomes true.

This leaflet is putting the cart before the horse!

Far too soon to discuss - nothing has been agreed.

Much too premature, nothing is decided.

I think it is ridiculous spending money on this consultation on what to do with money you don't have and may never have.

This consultation is premature considering that no major windfarm has been consented yet.

This consultation is much too premature and assumes that the Viking Energy project will go ahead. Response to this questionnaire may give the impression that the community is actually for it. 75% are against.

Discussions of such a fund are premature. We should be talking about the addendum / wider application at this stage not thinking about profits from a windfarm that does not exist. Please get your priorities right and communicate your plans for the windfarm. It is unethical to build this windfarm (community project) without demonstrable public support. Talk of profit at this stage is a "cheap tactic" to distract from the real issues (the environment and impact on people's lives etc), even if this is not an intentional tactic, it seems like one.

The talk of this fund is a little pre-mature in my opinion as the wind farm is by no means certain as yet. Care must be taken to ensure that any

individuals/companies that are funded from this community fund to provide services for the communities are not allowed to profiteer at the expense of the fund.

This is a very premature! It will be a long time before there are funds available from this ghastly project

The project is not appropriate at this time

I think it is too early for this consultation to be going ahead, particularly since there has been no decision made yet by the consents unit about Viking Energy' highly controversial proposal

Viking Energy's proposal! This is far too presumptuous in its data collection given that many areas are yet to be given planning permission. The project may not go ahead.

Counting you chickens before they hatch is extremely foolish but count them before the eggs are even laid is an exercise in futility. You can't spend money that doesn't exist so why is this "consultation" being conducted in the first place.

Viking Energy PR Good, who benefits? paragraph should be implemented for the community Membership of the Organisation - Why not both Better proof reading needed - not 14 Market House should be Market House, 14 Market Street

Is this not far too premature? How can you have any idea of what money will be available (probably in 10 years time) when there is NO IDEA what it will cost or what return they might get? Who is paying for this useless study? I imagine it is us once more - more money down the drain. How can you waste money when no planning permission has been granted????

What does SAOS stand for? Good communication starts with full explanation and abbreviations should always be explained. How much has this cost and who is funding it?

This consultation is very premature as no one knows if the wind farm will ever be built. No interconnector, no guarantee how long subsidies will continue, no "proper costings"

Considering the cost of supplying a cable to the mainland and the millions spent in erecting a windfarm I have grave reservations as to whether this venture will be financially viable. therefore I find this questionnaire extremely premature.

### **Shetland Islands Council & Shetland Charitable Trust Concerns**

Our main concern is that the whole fund (or a good part) is taken over by the Shetland Isles Council - the SIC must have NO control over any organisation or funds or be part of any say in how any money is spent or allocated

The fund must remain within the community and not be sucked into Shetland Charitable Trust vortex. Once established the Community Benefit Fund should be just that and no legislation from Shetland Islands Council should be allowed. The fund must be administered by duly elected members of the community for the community.

How to avoid it being hijacked by either central or local government to reduce the cost to the taxpayer of functions properly funded by taxation.

Local Government cutting to Community Council spending as fund 'replaces' funding.

If the Shetland Charitable Trust is anything to go by, when literally after given out a Christmas bonus to pensioner households, we have now become subject to a form of means testing, so I won't hold my breath to this latest scheme, of middle class Shetland!

Put the windmills in the sea and you won't have any trouble. As for charitable funds no council should be in charitable funds, see what they have done already to the funds.

It will be monopolised by the "powerful". Those who shout the loudest. The SIC having anything to do with the control / use of the fund in anyway whatsoever. SIC could give advice / information but nothing else.

Mis-management eg. Charitable Trust

Being unrepresentative and unelected like Shetland Charitable Trust is.

## *Renewable Energy – Community Benefit Fund*

At all costs this fund, should it ever come to pass, must NEVER be allowed to fall under the control of the Charitable Trust.

Keep out of the hands of the Charitable Trust.

The council should not have anything to do with it and no council should be on board

I am concerned that this fund will follow the example of the Charitable Trust where only a few individuals gained. Very cheap electricity to Shetland residents would benefit every household

That it be seen as yet another source of funding for non-productive, leisure/recreational activities. The existing Charitable Trust disburses an excess of that funding already.

Yell CC agree that funding should be run completely independently from SIC.

It would be provided by a project which very few people want. The council would try and hijack it and prevent people having a say as they do with the Charitable Trust

It should never end like the charitable trust which is run with no accountability.

It should be run for the good of the whole of Shetland, not limited to only the areas affected. 50% of the fund should be invested in bonds or other types of interest generating sources and the other 50% used for the local schemes some of which are listed above.

Political interference in the funds distribution.

Charitable Trust monies should not have been put at risk.

### **Communities re people and fairness - concerns**

I think that the fund needs to be shared absolutely equitably and fairly, for the benefit of all Shetlanders now and into the future; otherwise there will be bitterness from some sections of the community.

Unst will not have its voice heard.

That there will be any fund for the benefit of the majority of the people of Shetland.

Communities should build their own wind mill for their own use.

That the mainland Shetland get more than the Islands, the funds would need to be dished out fairly.

That the administration of the fund will affect the value of the fund to the community.

That communities who are less affected by the erection of the wind farm will benefit more than those where the turbines are located.

My concerns would be that only some of the community would benefit from the money which should (in my opinion) be equally split for use of all residents. If this were agreed and implemented, this could be expanded to all returning Shetland-born people and those who have an agreement of employment before moving to Shetland. This could boost our population (as per Council objective), without making Shetland the destination for all the free-loaders who would take advantage of such a scheme.

One of the priorities should be to as it says consult all Shetland communities, for Unst is once again left out. It may be expected that Unst people go to the meeting in Cullivoe but travel for many will be an issue.

We have just received an amount of funding for our community, the North Stoney Hill Area. After extensive community consultation projects seeking funding were nominated and funds were allocated through a community vote.

A very small proportion of the funding sought was not successfully received so I would conclude that there is no great need for funding for the community in this area.

But just as the oil industry was mainly located north of Lerwick I cannot see any great benefit to the South Mainland

The money should be shared throughout Shetland, with extra going to most affected area. Vital that funding can be given to projects that will also possibly or whoever should be elected from each community council area and serve for 3-5 years to allow people time to learn the job

I agree that a proportion of the money should be ring fenced for the communities most affected by the wind farm, and especially to any folk whose health suffers from infrasound vibrations from the turbines, or electromagnetic stress from power lines, power stations or the large exchanger station proposed to be built near Weisdale.

The wind farm will destroy our quality of life in Aith.

### **Communities re environment and countryside - concerns**

Viking Energy is a minority shareholder in the wind farm thus has no powers to offer any contribution to the fund. The environmental degradation caused by the wind farm will far outweigh any perceived and yet un-proven community benefit.

If Shetland has to be ruined then everyone living here should share in the compensation. Because that is how it must be looked on for spoiling our island.

It seems immoral to profit from the destruction of a unique environment and laughable that in paragraph 3 environment schemes are mentioned. Nothing could repair the damage done. Energy efficiency is mentioned too. Wind Power is so subsidised that it is not efficient.

If there is such a fund it should be administered properly and not by just a few councillors who may have (or have not) vested interest in same. Scarring the countryside for little benefit to Shetlands wildlife or it's people should not be an option.

It has to be used to negate the destruction & damage that the Wind Farm will cause so should be totally focused on conservation, habitat improvement / creation & of a general environmental improvement facilitation.

We are opposed to the wind farm because we feel it will spoil the whole central mainland of Shetland. Also if there were to be monetary benefits then it should not be to first or few to everyone equally.

**Opposition – concerns**

Communities in Shetland do not want the Viking Energy wind farm to happen [SIC organised meetings, 75% opposition to wind farm). The right of a community to decide what happens within that community should carry a great deal of weight within the planning process. To date the overwhelming opposition of communities to this project has been ignored or denigrated by most councillors, our MSP and MP. To then jump from that position to discuss the fairest and most democratic way to administer compensation payments from a project they oppose, is perverse.

Unnecessary, unwanted and unreliable.

An unwanted, unsightly monstrosity, to which people are being hood winked. Into the millions of pounds that will not exist, far too great a risk of Charitable Trust money.

We are strongly opposed to the proposed Viking Energy Wind Farm as we believe it will cause considerable damage to the environment and to the quality of life of people in this area. We are also very concerned that as the financial viability of the proposed wind farm is intrinsically dependant on ROCs provided by the Government, the high level of investment required is very high risk for Shetland Charitable Trust and could have serious repercussions on the current activities of the Trust. We believe that the independence of VAS and SAOS has been seriously compromised by the timing of this consultation.

The whole wind farm project is ridiculous. It's far too big for our small island community. The future for sustainable energy lies in the power of tide turbines and its well worth waiting a few more years (even 10 years) for its development!

Viking Energy! The people of Shetland have already voiced their objections to the destruction of our landscape and other problems this will cause, these objections fell on deaf ears, so why waste more money on this consultation.

The only ones to benefit would be those who have the wind mills built on their property, the rest would have to put up with the noise and disruption. I have heard the noise in the mainland.

Still think windfarm is too big

Viking Energy may be the biggest single development in renewable energy ever to be seen in Shetland and despite its controversy it may never provide the income that the Wind Farm developers claim. As a small wind turbine owner I have some serious concerns about the over ambitious claims of performance, reliability and very poor after sales back up of many of the smaller wind turbines here in Shetland. I would like to see a totally independent study of the manufacturers claims, the performance, reliability, after sales support, spares etc and the ability of the so called approved installers, many of which actually design the system supporting the turbine or other renewable device, as this is a particularly worrying area.

**General support - concerns**

None really. Only that it is managed well in an accountable way.

Stop waiting and get on with it or Shetland will be only one to have missed out

None at the moment

I hope that this plan goes ahead. It will certainly be good for Shetland

None

Get a move on with it.

No concerns at this stage, but guess that given the heightened emotions surrounding this subject there will always be concerns that the fund is not being managed properly. Conflicts of interest are bound to be queried, and anyone involved should be made to think very clearly about those perceptions. However, I think it needs to be made clear that whatever is agreed upon will have the appropriate local, national and statutory controls and checks applied. Only concern may be that Viking Energy or SSE might try to 'flex their muscle' during the fund

development phases, but Shetland has to stand firm, but also resist the temptation to be too different to other places where a community benefit fund has worked.

Can only be of benefit

**General comment - concerns**

My main concern with the Viking Windfarm project is to use it as a tool to gain a link to the national grid which should be of ?? capacity so other future renewable sources can be "plugged in", such as the Vattenfall off shore water power scheme. To meet the needs of the UK for power from 2020 many new sources must be installed. These should be where climate conditions suit renewable. This is a good project as Shetland is more reliable for wind than elsewhere in the UK. But in future tidal and wave power must be developed as the power of the Atlantic Ocean is immense and tides and waves are more reliable than wind. Therefore I see Viking Energy as a large project to introduce the link to the mainland. But if this is used as a started many further projects can be developed providing employment in both construction and maintenance just as oil did years ago. I have attended the last two energy conferences in Aberdeen at my own expense and am more knowledgeable than most. PS - Not having a car and there being no evening busses on Yell, I cannot attend the meeting in Cullivoe, nor any other such meetings. Are the poor intended to be excluded from the meetings? I know this is the intention of the Council as no special services are provided for meetings. You know this but have failed to ensure opportunities for the carless as policy.

## Appendix 2

**Please tell us of some priorities within your community that would benefit from funding:**

### Services & Facilities

Maintenance of leisure facilities Frontline services such as schools/roads/care for elderly

One day per week Senior Citizens Club with Activities/Lunch/Transport

One of the main is probably a purpose built charity shop, there are no doubt others which I can't think of just now.

Social and Care Services

Mental Health, relating to drugs, alcohol

Unemployed people 50+ Young people with additional needs

All community facilities such as leisure centres, halls, clubs, care centres.

Community Councils, ferries, music, educational trips, art,

Funds to stop rural schools from closure.

Fully funded residential alcohol and drug rehabilitation centre within Shetland.

Facilities for storing local history material. Facilities for creche.

Local School, Village Hall, Sheltered Housing, Care Home, Local public service and voluntary organisations.

Grass cutting service for pensioners and registered disabled.

It would be helpful to have someone with nursing experience employed in each of the Care Centres - it could save trips back and forth to the hospital for some elderly people.

I would like to see some way of providing chiropractic and other alternative treatments as well as herbal remedies to folk who would prefer this kind of healthcare to prescription drugs

Child care centre.

Extra social care provision.

Cope type employment facility.

The money should be used to build a hospice within Shetland and help with the running costs

I feel that a fund of this nature should be used to benefit the elderly and infirm in our communities with things that the council has been able to afford in the past but can no longer afford and have withdrawn e.g. grass cutting in the summer, and in some cases care for those in need but are unable to get on the Councils lists for social care.

Grants to local public buildings Services for disadvantaged Volunteer support Keep Shetland public (all) services as good as at present I would like to see winter physical activity classes offered in the local halls by qualified persons, targeted to specific age groups, offering this to older people during the day. The target would be to enhance physical and emotional health. Not everyone can get to the leisure centres.

Helping young and elderly, Improving rural library service,

If large profits are made to ensure reinvestment to fund replacement in future. Also fund care centres for elderly (not means tested).

Services for preschool, young people and the elderly. Services which promote health and fitness.

Also things like grass cutting service to make Gulberwick and other places attractive.

Improvements to tourism facilitates in the Bigton area and Shetland in general

Community work. I feel personally that if you invest in local communities then the whole island will flourish. Includes civic responsibility and taking care of one another and having pride in your community.

### **Business**

Local initiative to help develop local businesses - start up costs and development cost.

Also any local businesses that were helping to sustain local employment.

Sustainable Agriculture seed-funding for community cooperatives.

Community co-operative shop (refurbish existing premises and possibility of putting post office into shop).

Loans to small business meeting certain criteria - (a) outside Lerwick; (b) low carbon benefit; (c) organic Insulation to all houses

More importantly start up funding for small businesses

Help with start up funding for small businesses.

Any community can only prosper if REAL jobs (i.e. jobs that are not in the public service sector) make up the majority of the income of that community.

Most (if not all) communities in Shetland have a preponderance of 'artificial' jobs - supported directly or indirectly by the taxpayer. Real progress will only be made when the balance tips in favour of industry that profitably produces an end product that is in demand. I am, therefore, not in favour of any usage of the fund being directed towards further 'mollycoddling' the Shetland population's leisure/recreational activities.

Start up funding for small businesses

Start up for small business etc.

Grants to small businesses

Provision of truly useable broadband connections and speeds in rural areas. This would enable more home working when employed by organisations and businesses outwith the area and Shetland. It would also allow more people to set up businesses in rural areas, stem depopulation and boost viability of local service provision.

Support for rural shops - eg improvements to buildings, car parks, introduction/upgrade of EPOS systems etc.

Providing small business start up loans - must be secured, up to £20,000?

Providing start up grants and funding to small businesses in these areas.

Provide employment centres in outlying areas. Assist with diversifying businesses. Provide regenerative funding and sponsorship to further the skilled workforce in Shetland.

Ongoing assistance for groups currently financed through Shetland Charitable Trust should continue where they operate outwith the core duties and responsibilities of the Council. Investment in communications infrastructure to the most remote areas, not focussing on the most populous areas.

### **Renewable energy, recycling**

Any money available should be used to investigate wind powered energy.

Recycling Centre.

Improving insulation in homes, reducing the outlay on heating. Sponsoring small scale renewables schemes.

Energy costs to householders in Shetland could be greatly reduced or removed completely to support all residents in Shetland - this is one of the only commonalities between all residents and would therefore be a fair and equitable way to benefit the community. This would also allow the community to switch to renewable fuel based technologies such as electric or electric hybrid cars. This would also greatly reduce the

carbon footprint of the community and would help make our community truly sustainable and self-reliant in a fuel sense.

Cheaper living costs for those outwith Lerwick. Lerwick benefits from district heating- perhaps those in other areas could have some of this money pumped in to schemes to provide cheaper renewable options for heating and energy than are currently available.

Greater enablement of further renewable energies, such as small turbines, ground/air heat pumps etc. for households and small businesses. If cheaper electricity for the community is not forthcoming through Viking/SSE then financial assistance through grants and loans would enable households to make a real difference to their carbon footprint. These can prove expensive and prohibit real advance in 'greener' systems.

More Green energy projects such as local windfarms, wave and tidal.

#### Community Energy Local Scheme

Improving energy efficiency for households and businesses. Supporting the increased use of alternative energy throughout the islands. Support for music tuition throughout the islands.

Community food production, electric car schemes and recycling.

Recycling Centre Micro Mill Allotments Child care centre Permanent show park Cope type employment facility Playparks Dykes Camp sites

Cheaper living costs for those outwith Lerwick. Lerwick benefits from district heating- perhaps those in other areas could have some of this money pumped in to schemes to provide cheaper renewable options for heating and energy than are currently available.

Subsidised renewable from other sources, electricity for pensioners  
Income support etc

#### Community windmills

Improving energy efficiency for households and businesses. Supporting the increased use of alternative energy throughout the islands.

**Groups**

Whalsay History Group Phase 2

Partial funding to Sandwick Youth Club and other voluntary groups

Children's activity trips

Continued support to Community Groups

Play Areas Boys Brigade Scouts

Brownies Pony Club Swimming Club

To part fund sports activities etc that can attract funding from government/EC/National lottery that require a guarantee of base funding in order to qualify.

After school club at Aith including (assistance leisure centre facility hire and transport home to local nodes on the Westside.)

Whitedale footdale club, Weisdale and Whiteness rowing club, Burra Pony club. Other clubs and groups for the elderly

Ongoing assistance for groups currently financed through Shetland Charitable

Trust should continue where they operate out with the core duties and responsibilities of the Council.

Hall, Marina and other similar community facilities Local clubs and organisations

Help provide housing Support for local groups Recreational facilities for the younger generations

All local constituted community groups should be able to benefit from future funding

Activities for young people/teenagers..

Youth work. Youth services is not a protected services but it helps and nurtures so many young people that don't fit into the mainstream educational system.

Fund should be there to help groups to help themselves, e.g, become less dependent on SIC/SCT and new fund. Facilities should be maintained and one off grants considered to help make them more modern, sustainable and accessible for all. It should not duplicate existing funding sources - should be for added value, additional projects/services.

Youth & community Groups, Sports Facilities, Local Shopping,

### **Halls & facilities refurbishment**

Hall refurbishment Pier / Slipway / Marina better recycling facilities. Community Halls.

Symbister and Isbister Livister Youth Centre.

Help fund communtiy activities Halls, Leisure activities etc

The upgrade and refurbishment of Sullom Community Hall.

Halls, leisure facilities

Bixter Public Hall renovation project

Grants to public halls/y centres, Help with keeping halls open as community centres during day - for craftwork/teas etc - which might help tourism industry in poor weather, Help with eg folk dance displays, stalls selling local goods when cruise ships arrive

Support for rural halls - eg improvements to fabric of buildings, especially ensuring high standard of insulation, double glazing. Support for rural Leisure Centres

Sports and Leisure Facilities, halls, marinas etc.

2 x Community Halls - Symbister and Isbister Livister Youth Centre.

### **Travel**

Free bus to Levenwick health centre (doctors surgery) Repair to street roads and main roads

A Walls community bus

They should do something to get us cheaper access to mainland Scotland

Free interisland travel e

A possible connection to Fair Isle.

Community minibus

Improve public transport.

I would also like to see some fixed links to some of the outer islands but I'm not an engineer and so don't like to speculate too much on how this could be done.

Transport assistance for older people to get shopping or go to places like the Museum or Mareel, keeping pick-ups in clusters perhaps by doing areas on different days so people do not have to sit for long periods on the journey.

Improved public transport

Upgrade roads through Lunnasting & Nesting etc

Improved frequency of bus services throughout the Islands.

Community minibus

Better transport facilities especially for older people who don't drive due to ill health.

Travel infrastructure (piers, airstrips, roads)

Older People Transport - better bus service available on Sundays and evenings

Our own transport boats for a mainland connection

**Paths, Walks Amenities etc**

Shetland Cycle and walkways

Funds for Whalsay roads and make paths

Beach/shore/roadside clean up Conversion of derelict buildings for local group use Local walking/nature routes and associated signage, footbridges, seating, etc.

Environmental improvements - keeping public areas clean and tidy.

Cycle paths in Lerwick area

Dykes

Large park land area for trees and walks

Play parks, Camp sites

Footpaths Cycle Paths

Fencing of public areas to keep sheep and their mess out. Beautification i.e. setting trees.

Children's play areas Enhancement to public space and access there to  
Cycle routes Pedestrian walks

### **Cheaper fuel**

Free electricity for all in Shetland if not a huge reduction in the cost to each individual householder.

Cheaper electricity for Shetland

Cheaper fuel costs for all individuals within Shetland

All should benefit from cheaper electricity.

Electricity for pensioners

I feel the elderly and disabled should have subsidised "energy" provided by the wind farm as this would be a direct benefit to the community, especially those who most need it.

Energy costs to householders in Shetland could be greatly reduced or removed completely to support all residents in Shetland - this is one of the only commonalities between all residents and would therefore be a fair and equitable way to benefit the community

### **Food**

Community food production.

Encourage people to use food produced in Shetland.

Micro Mill

Allotments

Would it be possible to set up some kind of "community farm" and employ people to grow vegetables without the use of artificial fertilisers and pesticides, and to keep sheep, cows and hens to be used for food in schools and care centres etc

### **Education**

Possible bursary scheme for young people from the district entering higher education. Assistance with financing

Extra Assistance for University Students

Extra funding to schools to increase pupil/teacher ratios again and increase assistance for special needs/gifted kids.

### **Music**

Support for music tuition throughout the islands.

Music teacher fees

Funding for free musical instruments and music tuition for all Shetland Children.

### **Miscellaneous**

Anything at all which will benefit everyone in Shetland

Uncertain at this time

Funding for a community agent to consult on priorities and draw up a plan to implement them

Income support etc In addition to not replacement of statutory obligations of SIC

Permanent show park

Investment in communications infrastructure to the most remote areas, not focussing on the most populous areas.

*Renewable Energy – Community Benefit Fund*

Open up (eg helly-aa) sheds as worksheds for people who want to do carpentry as a hobby - so as to serve whole community, not just y centres,

I stay in the Staney Hill area of Lerwick, so any community involvement/building projects would be good.

Supporting non profit local charities.

Refurbishing old buildings, Historic sites, Museums, Repairing hill dikes- ie Havra, West Hill, Scalloway- which helps wildlife sheltering etc, Improving croft land for wildlife, Making ponds etc (eg Braer payments helped look of countryside by refurbishment of felt roofs),

Support for native Shetland breeds/varieties

Building housing maybe through Hjaltland

Funding should be needs lead and meet local priorities. Should link/work with local partners and funding bodies where possible. Serious consideration should be given to sustainability of the projects seeking grants from the proposed new fund - care is needed not to encourage increased revenue type projects depending on ongoing grant assistance