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## **Shetland Community Benefit Fund Ltd**

*Sustaining and Developing Shetland's communities*

# **Viking agreement brings new funding opportunities for Shetland**

Community benefit funds from the Viking Wind Farm are about to start following the signing of a Minute of Agreement between Shetland Community Benefit Fund Ltd (SCBF), Viking Energy Wind Farm (VEWF) and the windfarm's operators, SSE Renewables.

The Agreement means £400,000 a year from the Viking Community Fund will be available to SCBF during the construction phase of the wind farm. SCBF will use the funds to run an Advanced Grant Scheme (AGS); complete a community consultation; and develop a business plan for the future management of the Viking Community Fund when the wind farm is operational.

The AGS will only be open to projects supported by a community council. SCBF will operate three tiers of grant funding - awards between £50-£500; £500-£5,000; and awards over £5,000. The funds will open to applications early in 2021.

SCBF chair, Chris Bunyan, said the legal agreement is an important step forward. The grant scheme will allow community councils to support local projects and SCBF to develop its plans and administration - all working towards the successful start of the main Viking Community Fund.

The fund will provide £2.2 million a year (index linked) to SCBF - making it the largest community benefit fund linked to renewable energy in the UK.

"The grant scheme is designed to give more responsibility and power to community councils and is open to charities, social enterprises, and other local groups. We hope they will show imagination in proposing projects to sustain and develop local communities. The money can be used to supplement funds from other sources.

Local businesses can apply to help retain essential skills in a local community through training or apprenticeships."

Mr Bunyan thanked the community councils for their help and looked forward to the scheme showing improvements for local residents throughout the islands.

Aaron Priest from Viking Energy Wind Farm said: "The signing of the Minute of Agreement is the result of the hard work by SCBF. We are looking forward to the Viking Community Fund supporting important community projects across Shetland. This is the first stage in a community benefit package supported by Viking and SSE Renewables which is anticipated to be worth around £72 million over the lifetime of the wind farm."

Last month SCBF helped the Shetland MRI Scanner Appeal reach its £1.65m target with a £200,000 donation which SSE Renewables - who also donated an additional £50,000 to the appeal - agreed as an advance community benefit payment from the main Viking Community Fund.

ENDS

Note to Editors:

1. Shetland Community Benefit Fund was formed about 10 years ago by the islands' community councils as an independent co-operative regulated by the Financial Conduct Authority. SCBF takes no view on any renewable development but exists to negotiate and administer community benefit funds from commercial renewable energy projects in the islands.
2. Each of the 18 community councils in Shetland can nominate someone as a director of SCBF. Full details are available at [www.scbf.org.uk](http://www.scbf.org.uk)
3. There are two funding streams – the advanced grant scheme and the main community benefit scheme which will start once the wind farm is operational.
  - The Advanced Grant Scheme - During the construction of the windfarm VEFW will give £400,000 a year to SCBF to fund and operate the Advanced Grant Scheme, take legal and financial advice and to develop its business plans.
  - The Main Community Benefit Scheme - When the main fund starts after the wind farm starts operation, 10% of the annual income will be available to all 18 community councils (with a mechanism to prioritise areas which host the turbines) using a similar share basis to the advanced scheme. The majority of the funding will be available to help sustain and develop Shetland's communities through grants, loans or investments. SCBF will develop its aims and objectives, with strategic targets, into a full Business Plan, with consultation throughout the islands and its administration costs are limited to a maximum of 10% of the fund.

Further information from Chris Bunyan, Chair, SCBF 01595820336 or  
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