



RAY WIND FUNDS

Ray Windfarm Fund Community Interest Company – Annual Report

Fund report – Year 1

**This report covers the operation of the fund up to
31 May 2019**

Contents

The Chair	1
Introduction	2
CIC Directors	3
Meetings	4
CIC Journey to date.....	5
CIC Strategy, Values and Vision	6
Income and Expenditure	8
Community Engagement, Marketing and Communications	9
The Funds & Criteria	10
Grants Agreed	11
Next 12 Months Plans	14

The Chair

The Ray Wind Farm, operated by Vattenfall, sits on the Ray Estate in Northumberland. It comprises 16 turbines generating 54.4 megawatts of electricity to the National Grid annually and will continue to do so for the operational life of the Wind Farm.

For every year of its working life, Vattenfall will donate money to the rural communities that fall within the catchment area of the Ray Wind Farm (within 10 Km) and this includes the parishes of Bavington, Birtley, Corsenside, Elsdon, Kirkwhelpington, Otterburn, Rothley and Wallington. The initial annual figure donated was £5,000 per megawatt of generated output and this sum is index-linked for the life of the Wind Farm – more than £250,000 per year, commencing in 2018.

Initially a local Advisory Group was established with local Parish Council representation and other members recruited from the local Community by competitive interview. A Small Grants Programme was established, administered by the Community Foundation, to distribute funds for charitable purposes.

Local research carried out by Community Action Northumberland (CAN) had identified Community priorities for funding and this included infrastructure development and support for the local economy. These objectives could not be defined as strictly charitable so with the support of Vattenfall, the Ray Windfarm Fund Community Interest Company (CIC) was established to support a wider range of proposals for Community benefit, with Directors drawn from the initial Advisory Group. After a skills audit 2 additional Directors were co-opted.

The Ray Wind Funds now comprise 3 funds: The Small Grants Programme administered by the Community Foundation, a Local Initiatives Fund administered by the CIC and a Legacy Fund that will allow the benefits to be continued after the life of the Wind Farm.

Details of the Funds and the mechanism of application are outlined on the Ray Wind Funds website (<https://raywindfund.co.uk>).

The Directors of the CIC are open to local opinion and wish to be flexible in supporting all proposals, large and small, that offer clear Community benefit. In this initial period work has been required in setting up the funds with an appropriate administrative structure and this has included the appointment of a part-time Administrator, Jane Cartridge. The work of the Directors is unpaid and no monies have been paid for Directors' expenses.

I would like to pay tribute to the hard work carried out by my fellow Directors and also to the support received from Berry Jordan and the team of our funders, Vattenfall.

Included in this report are details of projects already funded and we hope they will meet the approval of our catchment population. We wish to be responsive and helpful and are grateful for the views and initiatives of our local Community.

Peter Ramsden
Chair, Ray Windfarm Fund CIC

Introduction

The Ray Wind Funds received from Vattenfall Wind Power Ltd are indexed linked and will be paid over a period of 25 years.

During this first reporting period two annual grants to the Ray Windfarm Fund Community Interest Company have been received from Vattenfall (£172,000 and £177,700).

In addition, for the first 3 years Vattenfall will make annual payments of £100,000 directly to Community Foundation who administrate the Small Grants Programme for charitable concerns within the catchment area. After the third annual payment this £100,000 will be paid directly to the CIC.

Due to the over subscription of funding applications for the first tranche of funding of the Small Grants Programme via Community Foundation the CIC Directors agreed to inject a further sum of £100,000 to the Community Foundation in August 2018.

The Ray Wind Funds either through the Community Foundation or through the CIC provides a number of different types of grants as detailed within this report.

The Ray Windfarm Fund CIC has made reference to the Community Action Northumberland (CAN) detailed survey released in September 2016 following a comprehensive questionnaire to residents living within the catchment area of the Ray Windfarm. This has helped shape the priorities for the early years of the fund. Regular progress reports are made to residents via Parish Council meetings as well as Ray Wind Funds website (<https://raywindfund.co.uk>) launched in January 2019.

CIC Directors

All the Directors also form the 'Decision Panel' for funding applications made via Community Foundation for the Small Grants Programme as well as deciding applications made directly to the Local Initiatives Fund of the CIC.

	Peter Ramsden Chair	Bavington Parish Council	Member of the Finance and General Purposes Committee and Chair of the Local Initiatives Committee
	David Burn Vice Chair	Birtley Parish Council	Member of the Local Initiatives Committee and Chair of the Small Grants Approval Panel
	Martin Chilvers Company Secretary	Otterburn Parish Council	Member of the Finance and General Purposes Committee
	Chris Robson Treasurer	Lay member	Chair of the Finance and General Purposes Committee
	Willy Browne- Swinburne	Lay member	Member of the Local Initiatives Committee
	Paul Cowie	Elsdon Parish Council	Member of the Local Initiatives Committee
	Sarah Crone	Lay member	Member of the Local Initiatives Committee
	Lesley Gosling	Lay member	Member of the Local Initiatives Committee
	Andrew Harding	Corsenside Parish Council	Member of the Finance and General Purposes Committee
			Table continues

	Tony Pender	Lay member	Member of the Local Initiatives Committee
	Ian Rawles	Lay member	Member of the Local Initiatives Committee
	Richard Thornton	Kirkwhelpington Parish Council	Member of the Finance and General Purposes Committee
	Katie Wood	Lay member	Member of the Finance and General Purposes Committee
	Jane Cartridge	Administrator	

Meetings

Currently there are monthly meetings of the full CIC Board. The minutes of each meeting are signed by the Chair (or his representative) after approval at the following meeting and then published on the website.

The Finance and General Purposes Committee has held bi-monthly meetings commencing July 2018.

The Local Initiatives Committee has held meetings monthly until March 2019 and thereafter will meet bi-monthly or as needed.

CIC Journey to date

May 2016 - Ray Wind Farm Community Fund Steering Group is established.

June 2016 - First meeting of the Steering Group is held at Corsenside village hall.

September 2016 - CAN report delivered.

November 2016 - Discussion of CAN report by Ray Wind Farm Community Fund Steering Group.

July 2017 - Community Day held at Ray with over 100 attendees.

March 2017 - Agreement in principle with Vattenfall to form the Ray Windfarm Fund CIC.

April 2017 - Community engagement meetings held by the Community Foundation at Kirkharle and Elsdon.

August 2017 - Discussion papers on governance, terms of reference and internal CIC structure introduced and debated.

August 2017 - Skills audits for the CIC Directors were completed.

August 2017 - The Ray Windfarm Fund Community Interest Company was incorporated.

March 2018 - Signing of Community Foundation agreement to administer the Small Grants Programme.

May 2018 - CIC board sit as the Advisory Panel for Community Foundation for the first time and approves £87,464 to help local communities.

July 2018 - Grant agreement between Vattenfall and the Ray Windfarm Fund CIC signed.

August 2018 - First year's funding received from Vattenfall.

October 2018 - Part-time administrator is hired.

November 2018 - CIC policies developed and approved.

December 2018 - CIC Board sit as the advisory panel for Community Foundation for the second time when £77,545 was approved for distribution.

January 2019 - CIC website goes live.

February 2019 - Education report completed.

March 2019 - CIC awards its first direct grants to the community.

CIC Strategy, Values and Vision

The Ray Windfarm Fund Community Interest Company will support local initiatives that will secure lasting public benefits in a cost-effective and sustainable way. Funding will not be restricted to charitable activity and the aim is to be flexible in supporting projects relevant to the needs of the communities in the area of benefit.

Funding can be towards project costs, equipment or capital developments and may include provision for running costs. The work can be new, continuing or a one-off initiative.

Whatever you are seeking funding for must have a strong case for support. That means being able to explain what you will do with the grant, who will benefit and how you know the work will make a difference to the intended beneficiaries or cause. You may be asked about the work afterwards.

There are five strategic priority areas: -

- Improving community services and facilities, such as village halls and churches
- Promoting rural regeneration (including superfast broadband, sustainable transport, active travel, employment, housing, tourism, business development, apprenticeships and training)
- Increasing participation in and access to sports, culture, events and recreational activity
- Enhancing and preserving the natural environment for residents and visitors, nature trails, clearing pathways and waterways; planting orchards
- Celebrating the area's cultural, historical and archaeological heritage

The Ray Windfarm Fund Community Interest Company Directors developed the following values and mean to honour these in all its business activities.

a) Good governance. The Directors believe that good standards of governance for the CIC are essential to managing its reputation and thus in maintaining the confidence of the local community and other stakeholders.

b) Transparency and Consultation. In order to achieve our strategic objectives, the Directors have committed to ensuring that the business of the company is carried out transparently and with a good standard of local consultation. In particular:

- i) Papers covering the business of the company will be available for the public on request (and online via the website), except where they are of a commercially sensitive nature or relate to confidential HR matters.
- ii) We will produce an annual review and hold an annual open meeting to review our progress and invite discussion and comment from the community within the area of benefit.
- iii) Major strategic decisions will be taken only when we are confident that we have consulted properly. The consultation will depend upon the nature of the decision and might include making information available on relevant websites, media outlets, at public events and by directly consulting those people most affected. In each case comment will be invited and the results of this will be considered by the Board in advance of a decision.

c) Equality and diversity. Our organisation's main purpose is to manage a Fund on behalf of the community living in the vicinity of the Ray Windfarm. As such we believe it is important to ensure that we have processes, behaviours and a culture of operating that encourages

participation and benefit to that full community and that everyone that we work with to achieve our purpose is properly valued and respected. This is regardless of age, disability, ethnicity (including race, colour and nationality), gender, gender reassignment, religion or belief, sexual orientation, marriage and civil partnership, pregnancy and maternity, refugees and asylum seeker status, people's diverse communication needs and their record of offending.

Achieving this will be a matter of deploying a range of measures according to the 'business of the day' but underpinning this will be:

- i) Understanding who our community is. We will supplement the Community Action Northumberland (CAN) research with details of the local population, its diversity and geography that we can glean from our contact with them and the voluntary and public bodies who serve them.
- ii) Making the CIC and its work known widely to the community through local networks and web and media outlets
- iii) Seeking the involvement of the community through the consultation processes described elsewhere
- iv) Regularly reflecting on how well these approaches are working in achieving this value.

The objects of the Ray Windfarm Fund Community Interest Company outlined in the Articles of Association require the CIC to:

- Oversee a fund to deliver benefits to the community; and
- To ensure that the funding received by the Company brings long term benefit to the Community.

The Directors of the CIC have decided that there are three broad purposes that they would like to see the Fund address:

- Charitable grants for the benefit of the community.
- Improving the physical infrastructure of the area (such as internet connection, mobile phone coverage and transport).
- A legacy fund that will benefit the area after the income from the wind farm ends.
- Our vision is that in 25 years' time the Fund will have substantially improved the quality of life for people living in the vicinity of Ray Windfarm. In particular:
 - The community facilities will be better and the levels of community activity will have increased.
 - The infrastructure supporting the area will have been improved in accordance with Key Performance Indicators that are community priorities and identified in accordance with Schedule 3 of the Grant Agreement.
 - The local economy will have improved through more businesses, more prosperous businesses and better local employment opportunities.

Thus, the people in the area will be better connected to each other and the wider world, more active locally and more prosperous. The aim is to ensure that such improvements are sustained.

Income and Expenditure

Opening Balance	£nil
Income	
Vattenfall Wind Power Ltd	£350,200.00*
Other income inc. bank interest	<u>£466.58</u>
<i>Total Income</i>	<i>£350,666.58</i>
Expenditure	
Grants released to Community Foundation	£130,000.00**
Grants released in period	£84,663.90**
Grants agreed but not yet released	<u>£2,508.10</u>
<i>Total Expenditure</i>	<i>£217,172.00</i>
Fund Expenses	
CIC set up costs	£3,362.77
Fund expenses	£2,117.86***
Administrator costs	<u>£6,364.11***</u>
<i>Total Fund Expenses</i>	<i>£11,844.74</i>
Total available funds as at 31 May 2019	£121,649.84

* During this first reporting period Vattenfall Wind Power Ltd made two 'annual' grant payments. This recognised that the Ray Windfarm had been operational sometime before the Ray Windfarm Fund CIC had been registered at Companies House and it was not until this point that the first 'annual' grant payment could be sanctioned.

** In August 2018 the CIC board agreed to provide a further £100,000 to the Community Foundation for a second round of applications to the Small Grants Programme due to the very high number of applications received in the first round. The Board also agreed a £30,000 payment to be invested as a Legacy Fund with the Community Foundation. The Community Foundation at the same time was able to secure match funding of £15,000 towards the Legacy Fund.

*** The total of these two categories (£8,481.97) is only 2.4% of the total Grant Fund received from Vattenfall and falls well within the maximum target of 10% spend.

Community Engagement, Marketing and Communications

The Ray Windfarm Fund Community Interest Committee (CIC) has been working to raise the profile of the Fund through a variety of channels since the creation of the Fund. That awareness is ongoing.

It was agreed at the outset that a priority was the creation of an identity – a logo - 'Ray Wind Funds' - to include the three funding streams– Small Grants Programme, Local Initiatives Fund, and the Legacy Fund.

To properly and quickly inform the communities in the Ray Wind Funds catchment area, it would be necessary to involve Royal Mail in the wide distribution of an appropriate explanatory leaflet and create a website to which the public could be directed for more detailed information. The double-sided, full colour A5 leaflet was created and posted into every household within the 12km radius of the Ray Wind Farm.

Parish Councils were also involved in disseminating of information via their own meetings and additional open public meetings were arranged within parishes to explain the funds – how much was available, how it would be managed and the criteria to enable funding to be released.

(<https://raywindfund.co.uk>) was launched at the end of 2018, to coincide with the appointment of an administrator, admin@raywindfund.co.uk whose role, along with general administration, is to advise enquirers, to send out preliminary forms and to channel applications to the relevant fund.

Following on from the Community Action Northumberland (CAN) report of 2016, the Ray Wind Fund is working to identify priorities within the catchment area, and is in contact with local groups, engaging in and encouraging dialogue to better inform and direct applications for funding support. Already, there is progress with schools, local agricultural shows, medical practices, churches, village halls and ecological and environmental groups. Within the CIC, Board members were allocated specific responsibilities e.g. transport, new business, health, property, education and the environment.

A presence has been secured at 2019 annual agricultural shows (Bellingham, Falstone and Rochester) and other local events with volunteers from the CIC to inform and give advice where necessary. Progress on large projects, such as superfast broadband, continues with support for a community group who are working with an external company. Those within the catchment area are being invited to attend informal meetings within their parishes.

An early press release explaining the Fund's purpose and emphasising funding availability was sent to the Hexham Courant, the local newspaper which covers a major part of the catchment area.

Applications are increasing in number and awareness is building, with people talking about the funds and thinking creatively about how they can be used within their own communities.

The Funds & Criteria

There are three Funds:

1) The Small Grants Programme (SGP) that supports charitable projects with awards normally of between £500 and £10,000. This programme is administered by the Community Foundation Tyne and Wear, advised by a panel of CIC Directors. Applications should be made through the Community Foundation website. Applications are invited on a six-monthly cycle and details can be found on the Community Foundation's website when the programme is open for applications.

2) The Local Initiatives Fund (LIF). This fund is administered by the Ray Windfarm Fund CIC and is open to businesses and organisations which have the potential to deliver projects that are relevant to the needs of the communities in the area of benefit.

Applicants must normally have a formal constitution, but small grants, with a minimum of £500, may be made to enable individuals to undertake clearly defined projects of benefit to the community.

All applications are a two-stage process the first of which is to complete a preliminary enquiry form. Applicants will receive an acknowledgement within 10 days which will indicate the next date for consideration of applications.

It is expected that the CIC Board will meet on up to six occasions a year to consider applications.

3) The Legacy Fund. The Legacy Fund is intended to continue providing community benefit beyond the operational life of the wind farm.

Grants Agreed

GRANTS AWARDED VIA COMMUNITY FOUNDATION

St Cuthbert's Church	£9,519	The installation of heated seats
Otterburn War Memorial	£3,600	Refurbishment Phase 1: Bathroom Facilities
EPIC - Elsdon Projects in the Community	£4,455	Elsdon Fete marquees and gazebo
Wark Recreational Charity	£10,000	Refurbishment of the clubhouse and amenities
Cambo Tennis Club at Wallington	£1,500	Refurbishment of court at Cambo Tennis Club
Age UK (and Co-ordinating4Age)	£9,928	Improving Health and Wellbeing of Older People in Rural Areas
Birtley Village Hall	£10,000	Village Hall toilet refurbishments
Kirkharle Creative	£10,000	Creativity in the Countryside through Summer of 2019 and beyond
Elsdon Village Hall	£4,753	Safe and Sound
Elsdon Village Hall	£15,245	Elsdon Village Hall: Fit For Purpose Washroom Facilities

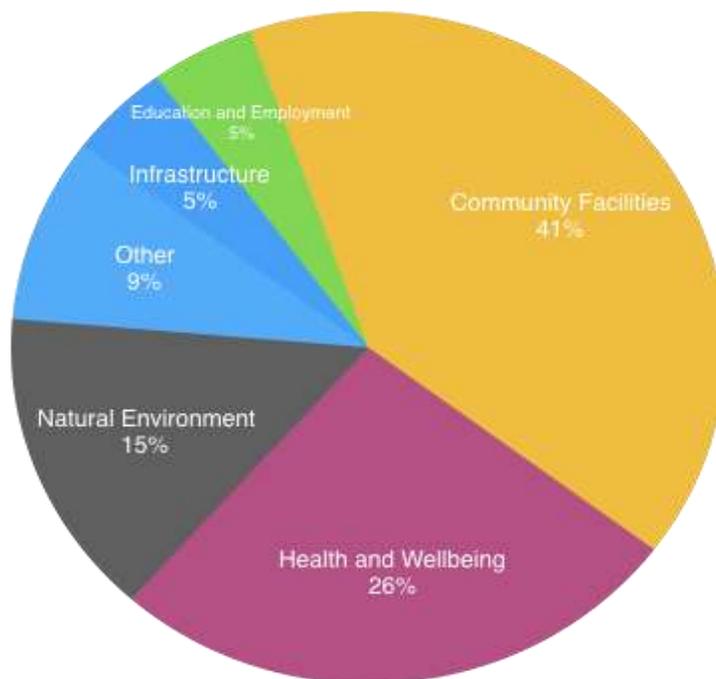
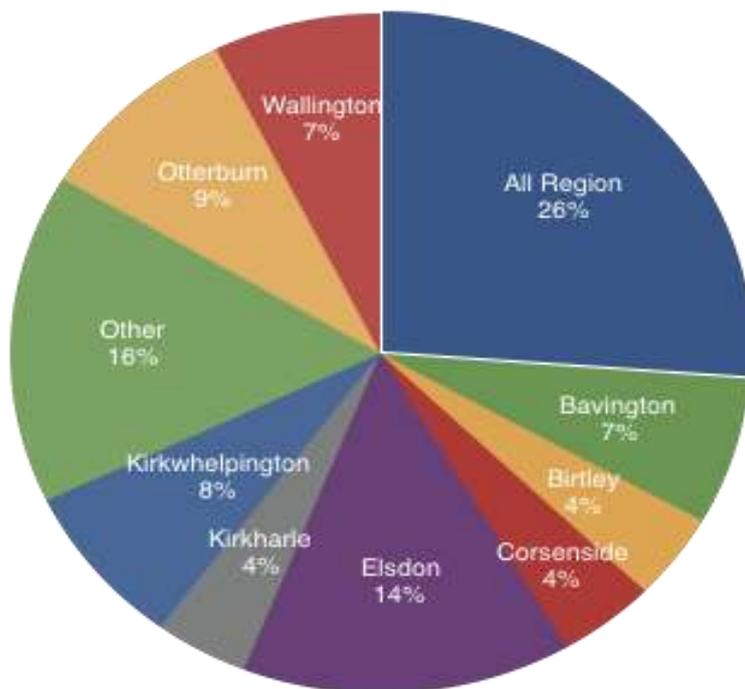
Wallington Football Club	£10,000	Wallington FC Grounds Maintenance Equipment
Corsenside Parish Hall	£8,979	Floor repairs; improve internal accesses; electrical upgrade; install new cooker
NTC Touring Theatre Company Ltd	£4,000	Touring professional theatre to communities within the area of benefit
Bellingham Golf Club	£5,000	Two additional two-seater electric ride on buggies
Kirkwhelpington with Kirkharle PCC	£8,790	Purchase a photocopier for the community publication - The Chimes
Northumberland National Park mountain Rescue Team	£4,916	Purchase a drone to support mountain rescue searches
Friends of Bellingham Playground Development Project	£7,899	Purchase/Install Net Play Structure for Bellingham Jubilee Playground
RTC Sports	£5,988	Insulation and security works
Northumberland Domestic Abuse Services	£8,600	Delivery of Domestic Abuse Services to Rural Communities
North Tynies Childcare	£10,092	Speech & Language Programme
Kirkwhelpington Parish Council	£9,995	Improvements to Kirkwhelpington Playing Field
Wallington Demesne Parish Council	£1,750	Purchase of two defibrillators, cabinets and installation

GRANTS AWARDED FROM THE LOCAL INITIATIVES FUND

GRANT PAID		
Paralympic Archer	£1,000	Training and equipment
B4NTR Broadband for North Tyne and Redesdale	£1,152	To promote a rural broadband initiative
Red Squirrels Northern England	£31,400	Employ a ranger for 12 months and train volunteers
Cambo Village Hall	£2,676	Repair of roof
Thockrington Parochial Church Council	£17,000	Repair of historic church
Otterburn War Memorial Hall	£11,000	Replacement heating boiler
Bellingham Show	£3,500	To develop a business plan
Cambo First School	£1,870	To fund specified extracurricular activities
West Woodburn First School	£620	To fund specified extracurricular activities
Otterburn First School	£1,450	To fund specified extracurricular activities
Wark First School	£1,090	To fund specified extracurricular activities
Bellingham First School	£1,950	To fund specified extracurricular activities
Belsay First School	£8,596	Inventions shed
Chollerton First School	£1,360	To fund specified extracurricular activities
GRANT AGREED BUT NOT YET PAID		
Belsay First School	£1,660	To fund specified extracurricular activities
B4NTR Broadband for North Tyne and Redesdale	£848	To promote a rural broadband initiative

The total Grants split by applications from Parishes within the catchment area and against the priorities highlighted from the CAN survey are shown in the two charts below.

Grants By Parish



Grant by CAN priority

Next 12 Months Plans

During forthcoming months, the Ray Windfarm Fund CIC Directors will be engaging with residents of the local communities

- Open meeting on 6 June, 2019 at Kirkwhelpington Memorial Hall
- Attendance with a 'stand' at many of the local shows and fetes during summer 2019 to highlight progress and share the successes to date as well as the proposed next steps

It is anticipated there will be significant progress with the 'hyperfast' broadband development following a series of meetings in May across the catchment area inviting residents to learn more and register an interest. B4RN are to progress a feasibility study and a roll-out plan with costs.

It is also the intention of the CIC board to instigate research into further local initiatives that many residents highlighted as a major priority in the CAN survey. These include:

- Community transport
- Local First and Primary Schools
- Youth Groups
- Local small businesses
- Medical services in the Ray Wind Funds catchment area

Progress of these topics will depend on participation from volunteer groups and it is hoped the attending of local shows will help to encourage the required activity.

In the next few months the CIC Board will hope to complete the set-up of the Funds with review of the grants made to date and evaluation of the early projects supported.

Following the third and final instalment of £100,000 of the current agreement between Vattenfall and Community Foundation the CIC Board will seek tenders for the Administration of the ongoing Small Grants Programme as well as review the appropriate split of the total funding received from Vattenfall between each of the Ray Wind Funds.