



Shetland Islands Council Coastal Communities Fund Scheme Guidelines

1. Introduction

This grant aid scheme is administered by Shetland Islands Council and financed from net revenues generated by Scottish Crown Estate assets.

Funding allocations from the Scottish Crown Estate are unknown and may fluctuate from year to year.

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

The scheme also aims to encourage regeneration of Shetland's communities by supporting projects that safeguard sustainable economic growth and jobs, promote inclusion and contribute towards poverty reduction.

While community regeneration and development remain vital considerations, we must also consider how the funding can contribute to making our communities resilient in areas such as food supply, connectivity and energy, in the context of increased costs of living, climate change and recovery from the COVID-19 pandemic.

Projects seeking funding must be a strong fit to the Shetland Partnership Plan 2018 – 2028 and the shared vision that:

“Shetland is a place where everyone is able to thrive; living well in strong, resilient communities; and where people and communities are able to help plan and deliver solutions to future challenges”

Applicants must demonstrate how their project will drive change for Shetland and deliver on the Partnership priorities, namely:

Place – *“Shetland is an attractive place to live, work, study & invest”*

Participation – *“People participate and influence decisions or services and use of resources”*

People – *“Individuals and families thrive and reach their full potential”*

Money – *“All households can afford to have a good standard of living”*

All applicants are expected to demonstrate the need and support for their proposed project. This could include carrying out community consultation, an options appraisal and/or writing a business case.



2. Who can apply?

Applications are only considered from Shetland based organisations with an open constitution or set of rules that clearly define the organisation's aims, objectives and procedures. The following types of organisations can apply for grant aid:

- Registered charities
- Community groups
- Voluntary organisations
- Social enterprises
- Local Authority departments
- Other public sector bodies
- Collective interest / industry wide bodies

Applications will not be considered from:

- Individuals
- Informal groups
- Sole traders
- Organisations outwith Shetland
- Religious or political organisations
- Private businesses, unless part of a collective or industry-wide initiative

Applicants with an existing Coastal Communities Fund approval may submit an application for a further phase of their project (e.g. where a project is moving from a feasibility to implementation phase), prior to the end date of their existing project – however, any approval will only be confirmed following the end date of the existing project and will be subject to evidence of satisfactory progress.

No applicant may have more than one 'live' approval at any one time, and such phased approaches must represent separate and distinct projects in their own right. The Panel will have discretion on the suitability of any phased approach.

3. Priorities for funding

Coastal Communities funds must deliver on the priorities of the Shetland Partnership Plan. Funding may be used to help with the following:

- Developing and regenerating Shetland communities including infrastructure and community assets
- Creating and safeguarding sustainable economic growth and jobs
- Providing rural communities with the means and opportunity to address issues of poverty, access and inclusion, disadvantage and inequality
- Contributing to the net zero agenda through carbon reduction and renewable energy
- Supporting communities to develop projects which promote and develop local resilience in areas such as food supply, connectivity and energy
- Supporting community capacity building and community development
- Supporting opportunities for skills development and learning experiences
- Adding value to Shetland's economy through collective efforts including supporting promotion of local produce and facilities, developing new products and external markets, and improving sustainability



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

4. What can it fund?

The scheme can consider both capital and revenue costs.

Funds from this scheme can be used to pay costs including:

- Buildings (this may include construction costs, upgrades/improvements and associated professional fees)
- Professional fees (e.g. consultancy costs)
- Consents, permissions
- Non recoverable VAT
- New equipment
- Participatory budgeting
- Salary costs
- Volunteer expenses

The Council will have sole discretion with regard to which costs are considered eligible for grant funding. Ineligible costs might include, but are not limited to:

- Core running costs
- Continuation of ongoing revenue projects
- Purchase of land or buildings
- Projects which result in displacement of existing activity or may otherwise be to the detriment of existing project(s)/organisation(s) or businesses
- Political or religious activities
- Items that benefit individuals
- Loan repayments, service charges arising on finance leases, hire purchase, and credit arrangements
- In-kind costs and contributions
- Services that are the responsibility of central or local government
- Project costs which have already been committed
- Onward distribution of funds (unless for an approved Participatory Budgeting event in line with Coastal Communities guidelines)
- Consumables – unless directly related to delivery of the project
- Repair and maintenance costs* for buildings, plant, equipment or any other items
- Applications made for speculative projects
- Items that only benefit an individual i.e. prizes, gifts and awards
- Any other costs deemed ineligible by the Council

The Council (acting reasonably) retains discretion to refuse any application for any reason.

* Repair and maintenance costs are deemed as either unplanned, reactive works or routine repairs or maintenance works required to maintain existing facilities and/or equipment.



5. How much can you apply for?

The Coastal Communities Fund can provide grants from £5,000 to £100,000.

The scheme can support **revenue** projects as follows:

Development costs

- Up to 90% eligible costs
- Grants between £5,000 and £25,000

Delivery costs

- Up to 75% eligible costs
- Up to 3 years funding
- Grants between £10,000 and £100,000

The maximum the Coastal Communities Fund can award a revenue project is £125,000.

The scheme can support **capital** projects as follows:

Feasibility grants

- Up to 90% eligible costs
- Grants between £5,000 and £10,000

Design grants

- Up to 90% of eligible costs
- Grants between £10,000 and £40,000

Capital grants

- Up to 75% of eligible costs
- Grants between £10,000 and £100,000

The maximum the Coastal Communities Fund can award a capital project is £150,000.

Applicants will be expected to demonstrate that possible avenues of external match funding have been investigated and the status of any applications for match funding.

Applications that are a strong fit with the Shetland Partnership Plan and deliver on the plan's outcomes will be prioritised for funding. All applications are subject to the availability of funds.

Note that grant is paid in arrears following submission of a completed claim form with evidence of expenditure incurred and defrayed.



6. UK Subsidy Control Act 2022

The Subsidy Control Act 2022 came into force on 04 January 2023 and conferred a duty on all public authorities to ensure that any grant funding provided is consistent with the principles of subsidy control and follows requirements for transparency.

In general terms, a “subsidy” is: (1) any financial assistance given from public resources; (2) which confers an economic advantage to one or more enterprises; (3) benefitting them over other enterprises; and (4) which is capable of distorting competition. Under the Subsidy Control Act 2022 that potential impact on competition can be wholly within the UK.

The Coastal Communities Fund has been formally reported onto the UK Government’s subsidy control database as a statutory subsidy scheme (subsidy control no. [SC10817](#)).

For further information on Subsidy Control, guidance on subsidies for beneficiaries can be found [here](#).

7. Application process

For grant requests up to £25,000 it is a single stage application process.

For requests over £25,000, it is a two stage application process.

The Stage One application is an Expression of Interest and applicants are required to clearly demonstrate what outcome(s) and impacts their project will deliver. Potential projects must have a strong fit to the Shetland Partnership Plan and its outcomes. Potential projects deemed to have a weaker fit are likely to be turned down at this point.

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

Single Stage and Stage Two applicants may be required to supply any or all of the following:

- Governance document
- Evidence of delegated authority to accept grant awards
- Protection of Vulnerable Groups policies and procedures
- Quotes or tenders for project costs
- Business Plan or Project Plan
- Job profile and person specification (revenue projects)
- Evidence of ownership of facility (capital projects)
- Evidence of need and/or community support
- Permissions and statutory consents confirmed
- Confirmation of match funding
- 3 years annual accounts
- Most recent bank statement
- Any other appropriate information as requested



Applicants are strongly encouraged to discuss their potential projects with Council officers in advance of submitting an application form.

8. How will decisions on applications be made?

Administration of the scheme will be co-ordinated by staff in the Development Services Directorate.

Project applications will be assessed by a Panel, chaired by the Director of Development, and one additional officer from each Council directorate, nominated by the relevant Director.

The Panel will consider and determine all requests for approval below £50,000. For funding requests of £50,000 or more, the Panel recommendation will be presented to the Development Committee for decision.

Decisions made by the Council will be considered final and no appeals will be entered into.

9. When should you apply?

Applications may be submitted at any time.

Stage One applications must be received **at least three weeks** before a funding Panel meeting.

Single Stage and Stage Two applications must be received **at least eight weeks** before a funding Panel meeting.

Dates of Panel meetings will be notified and displayed on the Coastal Communities Fund website.

Project start dates should take account of the decision making timescales – as awards over £50,000 must be determined by Council members, the timelines for decisions will be affected by meeting dates of Council committees. No project should proceed prior to receiving a grant offer letter confirming the award of a grant.

Applicants can only have one Coastal Communities Fund grant approval at a time. Stage One applications may be submitted at any time but applicants will not be invited to proceed to Single Stage or Stage Two until their existing Coastal Communities funded project has been completed and the file closed.

10. Service pledges

In order to improve service delivery of the department's grant aid schemes we have the following service pledges:

- The department will provide **accurate information** about their grant aid schemes and application procedures;
- All grant application forms received will be acknowledged **within 5 working days**;
- All applicants will receive a decision on its completed application form: within 1 week of the funding Panel meeting if under £50,000; if over £50,000 then the decision will be made at the next scheduled Development Committee meeting;
- All applicants who have had a grant application rejected will receive a written explanation of why it was unsuccessful.



If an applicant is dissatisfied with how their application has been handled during this process, the Council's complaints procedure should be followed: [Shetland Islands Council Complaints Procedure](#)

11. Data Protection Act 2018 / Freedom of Information (Scotland) Act 2002

The information provided by you is processed in accordance with the Data Protection Act 2018 to allow us to effectively manage the Council's Grant Aid Schemes. The Data Protection Act 2018 gives you the right to know how we will use your data. Further information about how we use your personal data is available from the Grants Unit or the Council's website at <http://www.shetland.gov.uk/information-rights/DataProtection.asp>.

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

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

12. Protection of vulnerable groups requirements

If your organisation is applying for grant assistance from this scheme, your group/organisation will need to decide whether you have anyone (staff or volunteers) involved in 'Regulated Work' with children (and/or protected adults)*. If your organisation has individuals involved in Regulated Work then those individuals will need to apply to become a member of the PVG Scheme, and your group must also have policies and procedures in place that adequately cover adult and child protection and welfare issues.

You will need to decide whether or not your group has individuals involved in 'Regulated Work' with children and young people under the age of 18, and/or 'Regulated Work' with protected adults (from the age of 16, generally, in receipt of specified services)*.

If either of these conditions applies to your group, then you will need to ensure that you have in place **all** of the following: an Adult and Child Protection Policy and an Adult and Child Protection Procedures; for organisations working with children and young people a Code of Conduct for staff and volunteers; an Equal Opportunities Policy.

Templates for these documents are available from the Community Planning & Development Service or at www.shetland.gov.uk/grants/PVG_Templates.asp and must be approved and signed by committee members of your group.

Organisations must undertake a PVG Scheme Membership check when appointing staff, volunteers or helpers who are doing 'Regulated Work' to make sure they are not barred from working with children/protected adults and as part of checking their suitability for the particular post.

* There are various stages to go through to decide whether someone is doing 'Regulated Work.' The Safer Shetland website www.safersheland.com includes links to sources of help, in particular a self-assessment tool produced by Disclosure Scotland which will help you work through the various stages: www.disclosurescotland.co.uk/pvg_training/self-assessment/



In case of doubt, you may wish to seek further advice from either the Central Registered Body for Scotland (CRBS), on 01786 849777, or Disclosure Scotland on 0870 609 6006. Contact details for local support on this subject and more information are available on the Safer Shetland website www.safersheland.com.

Help and information about training courses is also available from the Community Development Team or from Voluntary Action Shetland, who locally can undertake free checks for volunteers.

13. Monitoring and assessing impacts

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

The Council's Development Services Directorate will report regularly on the Coastal Communities Fund grant scheme to the community and partners.

Projects in receipt of Coastal Communities funding will be required to provide an end of project report and a further project evaluation one year after completion of project to demonstrate outcomes achieved.

Outcomes in this case are the things that result from the project. An outcome is not the provision of a service or the delivery of a project, but the tangible difference it makes to the lives of service users or the community through being provided or delivered. Improving outcomes means making things better for people living in Shetland. The Coastal Communities Fund shall be reviewed annually to ensure outcomes and progress is closely monitored and criteria updated where necessary.

14. Contact details

Officers in the Council's Development Department directorate are available to give advice and guidance on the completion of grant applications and supporting documents as required. If you need assistance you should contact staff at the earliest opportunity.

Development Department Directorate
c/o Solarhus, 3 North Ness Business Park
Lerwick, ZE1 0LZ
Tel: (01595) 744915 / 743828
coastalcommunitiesfund@shetland.gov.uk

[Updated: February 2024]