



Foundation  
Scotland

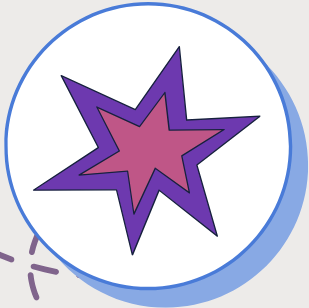
# River Avich Hydro

## Community Benefit Fund

YEAR 4 FUND REPORT: 1 APRIL 2024 - 31 MARCH 2025



# Highlights



**Fund distributed  
£79,413.38 in its fourth  
year**



**Four education and training  
grants were awarded,  
totalling £6,550**



**Two-year award to enable the  
Dalavich Improvement Group  
(DIG) to recruit a community  
development officer to  
support capacity building in  
the community**



**The Fund invested £38,557 in  
the asset management and  
maintenance of the buildings  
and land owned by DIG**

## Introduction

This report is the fourth annual report of the River Avich Hydro Community Benefit Fund, which is delivered by Foundation Scotland under an agreement with Awesome Energy (Dalriada) Limited (AED).

## Fund Context

The River Avich Hydro Community Benefit Fund is provided by Awesome Energy (Dalriada) Limited (AED), owner and operator of the 350 kW River Avich Hydro Scheme, a run-of-river hydropower system on the River Avich in Argyll.

AED is a community benefit society set up by the local community to develop and operate the hydro scheme. Starting in 2021, AED is making funding available to support charitable activities that primarily benefit people living in the area served by the local community anchor body Dalavich Improvement Group (DIG), including the settlements of Inverinan, Lochavich, Dalavich, or Kilmaha.

This Fund is intended to continue for the operational lifetime of the hydropower scheme, anticipated to be forty years. It is provided from unallocated retained reserves arising from AED's operations in each year and may be affected by items such as available cash on hand and restricted cash reserves. As such, no fixed annual donation to the Fund can be committed to or forecasted; AED decides the overall amount at its Annual General Meeting in May.

The first Fund Strategy ran from June 2021 until June 2024. In 2025, an updated Fund Strategy will be prepared to take into account the findings of consultation and engagement that was undertaken in late 2024 by DIG's Development Officer. This work has informed the preparation of a Community Action Plan for the Dalavich area, which is due for publication soon.

The Fund is delivered by Foundation Scotland under an agreement with AED. The Foundation is an independent charity with grant-making expertise and a track record in supporting the establishment and delivery of community benefit funds in Scotland. Funding is provided through four sub-funds, and more information about these sub-funds can be found in Appendix two.

## Fund Activity

Following the 2024 AED AGM's approval of a community benefit donation, the DIG Board agreed that the Year 4 donation for award making would be split across the four sub-funds as follows:

Sub Fund	Year 4 amount
Open Grants Programme	£6,800
Education & Training Fund	£4,600
Micro-Grants	£1,200
DIG Strategic Grant	£76,200
<b>Total</b>	<b>£88,800</b>

### Open Grants Programme

This strand of funding is open to applications for charitable activity and currently uses the strategic themes and associated priorities set out in the Dalavich Improvement Group Community Action Plan (2016 -2021). Foundation Scotland is awaiting the publication of the updated Community Action Plan for the area.

### The strategic themes are as follows:

The Community Centre; infrastructure and services; communication/ community spirit; the local environment; tourism and facilities (activities); children and young people, and employment and opportunity.

The strategic themes may change once the new Community Action Plan is completed, and any changes are implemented.

At the beginning of the year (April 1st 2024), the funds available to distribute were £17,850.35 (taking account of the previous year-end balance and the additional £6,800 allocated from the Year 4 donation).

A payment of £8,292.81 was made to the Avant Gardeners as a contribution to the costs of installing a polytunnel in the community garden at Dalavich that will enable the group to increase all year-round growing space to reduce food insecurity locally. The remaining grant amount (£829) is held as a contingency in case the costs of the project have risen. The Fund currently has an available balance of £15,528.54 (year ending 31st March 2025).

One important change this year to the programme is that it was agreed with AED officer bearers that the maximum grant size available per project would be increased from £3,000 to £10,000, to bring the grant level available into line with other funds locally.

### **Education & Training Fund**

This Fund has distributed four grants over the year that have supported residents to improve their skills and opportunities for employment. This has included tree felling qualifications, online counselling certification, chainsaw maintenance and small tree felling and the first multi-year award as a contribution to university expenses. The benefit of providing this opportunity for residents of the area can be illustrated by the following comment from one recipient:

*“I have already used my skills clearing roads during the last storm and have plans to undertake further courses which will allow me to help more locally.”*

### **Micro-grants**

During this year, £2,400 was awarded towards distributing seven microgrants by the subcommittee, and these totalled £2,434.32. (The additional costs being covered by funds remaining from the previous year.) Projects have included signage and a lawnmower for the community garden, chairs for the art club, an art event, supporting a photography competition and contributing to the creation of a website for Avich and Kilchrenan Community Heritables.

### **DIG Strategic Grant**

The Fund Strategy sets out the relationships and processes regarding this component of the River Avich Hydro Community Fund.

This provides for the ringfencing of funds to DIG that can be deployed as a single strategic grant towards activities set out in its Business Plan and/or other activities that arise not detailed in the Dalavich Improvement Group Business Plan.

In the years 2024 to 2025, DIG has drawn down nine grants to enable it to deliver the work needed to support the community of Dalavich. These nine grants can be allocated to one of two themes: asset management and maintenance of DIG's land or buildings, or community capacity building.

The amount allocated to asset management was £38,557.89 and covered costs that included building maintenance, tree and brash management, stove replacement and essential electrical certification for the community centre. These projects build on the investment in surveys, essential maintenance and tree management plans during 2023 to 2024.

Community capacity building was awarded three grants totalling £87,455, which included a multi-year award towards the costs of the Development Officer (DO) post, DIG board development and supporting local facilities and services.

An important step for DIG has been the appointment of the DO in August 2024. The DO project was developed during 2023 as it was identified by the DIG board that resources were needed to help realise community ambition and reduce the burden of work being carried by volunteers. Since the appointment of the DO, they have worked to understand the current and future needs of the community and have begun preparation of a Community Action Plan, increased the membership of the Dalavich Improvement Group and built connections with key national and regional agencies.

In addition, the DO has supported the board of DIG and other volunteers by ensuring essential maintenance work has been completed on the community centre, which contributes to the aim of investing in building assets for the benefit of the community. More information about the activities that DIG undertakes or supports can be found on the DIG Facebook page:

<https://www.facebook.com/DIGHYDRO/>

## Fund Promotion

During the past year, there has been interest in and applications to the Employment and Training Fund, which has been mostly due to promotion through word of mouth.

The microgrants programme has been well-received and has awarded seven grants to four different awardees. Going forward, having a DO for the area provides the potential for the Fund to be promoted further and increase the reach to local groups and individuals.

## Fund Statement

Statement Period: Year 4 - 01 April 2024 to 31 March 2025

This statement represents the flow of funds from AED into the 'parent' River Avich Hydro Fund. After deduction of the contribution to Foundation Scotland, funds are then allocated to the four sub-funds. Statements for these four sub-funds are attached as appendices, and summary balances are highlighted below.

River Avich Hydro Community Benefit Fund Programme					
Sub Fund	DIG Strategic Annual Grant	Open Grants Programme	Microgrants	Education and Training	Totals
Opening Balance	£101,822.00	£17,850.35	£1,200.00	£2,559.00	£123,431.35
Transfers into the Fund	£76,200.00	£6,800.00	£1,200.00	£4,600.00	£88,800.00
Grants Paid	£64,170.57	£8,292.81	£2,400.00	£4,550.00	£79,413.38
Grants Pending	£62,842.32	£829.00	£0.00	£2,000.00	£65,671.32
<b>Available Balance</b>	<b>£51,009.11</b>	<b>£15,528.54</b>	<b>£0.00</b>	<b>£609.00</b>	<b>£67,146.65</b>

## Looking Forward

The Fund is now four years old, and AED and Foundation Scotland signed a new Fund Agreement in March 2025, which will run for a further five years. As part of this programme, Foundation Scotland will work with AED and DIG to review the programme so far, prepare a review report and develop a Fund Strategy for the next five years.

The Fund Review and updated Strategy will be prepared and completed by the end of 2025 and will take into consideration developing national strategies, the possibility of more renewable projects within Argyll and Bute, the impact of rising costs and the potential of increased demands on the Fund to meet funding gaps groups are experiencing.

## Further Information

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Thanks to Aileen Gillies for providing the photograph on the front cover.  
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## Appendix 1 Awards for the year

### Education and Training Fund

Award Purpose	Amount Awarded
To cover the costs of completing a felling and processing trees course and the purchase of required equipment and PPE.	£1650
To fund course fees and contribute to expenses towards an Online Counselling Diploma.	£1294
To contribute to associated costs, enabling completion of a Chainsaw Maintenance, Crosscutting & Felling Small Trees up to 380mm course	£950
To support course fees, enabling study of the Level 5 award in 'Understanding and Applying Parts Theories'	£950
To contribute to expenses whilst studying BA (Hons) Business Management. Year 1	£1000

### Open Grants Programme

Award Purpose	Amount Awarded
The Avant Gardeners: To contribute to the costs of installing a polytunnel in the community garden at Dalavich that will enable the group to increase all year-round growing space to reduce food insecurity locally.	£9,121.81

## DIG Strategic Awards

Award Purpose	Amount Awarded
To fund a Community Development Project	£3,000
To support DIG in the continued development of its governance and improvement of built assets, ensuring that the community can access essential facilities and services.	£9,700
To provide a grant that enables DIG to employ a part-time community development officer and allocate resources for two years, thereby facilitating the development and implementation of a community action plan aimed at increasing the resilience and sustainability of the area.	£82,205
To fund repairs and essential replacement of stoves in the community centre to comply with legislation and statutory requirements.	£14,927.31
To support DIG to safely maintain the landscape around the village of Dalavich to improve the area and reduce invasive species locally.	£9,845
To fund the cost of an updated EICR certificate for the Dalavich Community Centre to ensure the building is safe and legislation is complied with.	£990
To support capacity building, mediation sessions to increase the resilience of the Dalavich Improvement Group	£2,250
To provide funding to repair the public toilets' doors and associated works to ensure that they are safe for use by the public.	£2,195.58
To fund emergency tree management activity following on from Storm Eowyn to make locations safe within land owned by DIG.	£900

## Appendix 2 Fund Details

**Open grants programme:** This provides awards of between £501 and £10,000 to constituted organisations for charitable activities. [More information is available here.](#)

**Education & Training Fund:** This provides bursaries to individuals seeking to take a course or apprenticeship that will help them improve their employability prospects or develop a new career. [More information is available here.](#)

**Micro-grants:** This scheme supports activities undertaken by individuals or groups. Awards of up to £500 are available. The scheme is administered by DIG, including representatives from the community and a DIG Director.

**DIG Strategic Grant:** An annual grant is made to Dalavich Improvement Group to take forward activities set out in its business plan, as approved at its AGM.

