Hornsea 3 Community Fund

Stakeholder Consultation Summary Report

April 2023

Research undertaken and report written by GrantScape

North Norfolk coastline at Cley and Salthouse Marshes

GrantScape
The Experts in Community Fund Management

Ørsted
The Hornsea 3 Community Fund will be made possible by donations from Ørsted

Introduction to the Hornsea 3 Community Benefit Fund

Ørsted is committed to making a positive impact in the communities where they construct and operate their offshore wind farms and other projects. Ørsted has therefore committed to providing the Hornsea 3 Community Benefit Fund (CBF). The Fund is worth £700,000 each year for an initial 10-year period from its Hornsea 3 offshore wind farm development. This will add to the three other community benefit funds Ørsted already supports along the UK's East and West coasts, which so far have awarded nearly £8.5 million to over 615 community and environmental projects.

One of the established CBFs is the East Coast Community Fund (ECCF), which is funded by donations from the Race Bank and Hornsea offshore wind farms. This fund has been awarding grants for over five years and has helped make a positive impact to communities living along the coast, stretching from Bridlington in East Yorkshire to Wells-next-the-Sea in Norfolk.

The Hornsea 3 CBF aims to follow a similar approach to the ECCF in terms of the types of projects it supports. However, it is important that this is supported by local stakeholders, therefore Ørsted appointed GrantScape to undertake an independent consultation exercise. This was to ensure that the local communities agreed with this approach and that local stakeholders can help to decide how the Hornsea Three CBF is established.

A three-stage public consultation programme commenced in August 2022 and completed at the end of February 2023.

1.Online survey

August to November 2022

2. Meetings with key stakeholders

December 2022 and January 2023

3. Public exhibitions

February 2023

The purpose of the consultation was also to:

- Seek confirmation on levels of match funding, and whether the Fund should support capital or revenue grants.
- Clarify the size of grants the Fund will provide.
- Identify suitable individuals to join a local Advisory Panel who will help decide how applications to the Fund will be allocated.

GrantScape engaged with over 500 individuals throughout the process. Their views and opinions have helped develop the high-level criteria for the Fund, which is highlighted at the end of this report.

The Hornsea 3 CBF is still subject to Ørsted making a positive Financial Investment Decision (FID) to develop the project which is expected to be taken by the Summer of 2023.

Stage 2 Meeting with the Norfolk Wildlife Trust

Consultation Area

The funding zone for the proposed Hornsea 3 CBF has already been defined by Ørsted. This includes a 5 km coastal zone, a zone around the proposed onshore cabling routes, and other development areas, and ensures consistency with other Ørsted CBFs. The geographical boundary of the Hornsea 3 CBF was, therefore, not part of the consultation process.

The coastal zone stretches from the Norfolk county boundary near King's Lynn to the south of Lowestoft in Suffolk. In addition, there is a 5 km zone following the route of the proposed electrical cabling that will connect to the main Electricity Grid south of Norwich. Ørsted will also construct a new main logistics compound within the Parish of Oulton (East of Saxthorpe). This is part of the overall project development area and was therefore included within the community consultation area.
An interactive map was displayed on GrantScape's and Ørsted's website from the beginning of the consultation. This enabled stakeholders to zoom into the map and identify whether they were located within the funding zone, and therefore able to participate in the consultation.

Ørsted's East Coast CBF (ECCF) currently funds an area from Bridlington in East Yorkshire to Wells-next-the-Sea. When the Hornsea 3 CBF opens to applications, the ECCF boundary will end at the Lincolnshire and Norfolk boundary, and all coastal areas of Norfolk will become part of the new Fund.

Attendees at the Stage 3 Event in King's Lynn

The Consultation Process and Stakeholder Engagement

The consultation process commenced in August 2022 with an online survey. This was open for a three-month period and closed on 7 November 2022. Stage 2 of the process involved meeting with key stakeholders to discuss the initial findings of the survey. These meetings were held in December 2022 and January 2023. The final part of the process, Stage 3, involved a series of public events where interested stakeholders and members of the local community could drop-in to discuss the high level draft criteria and any potential, local, projects that may be seeking funding.

Due to the funding boundary, it was crucial that the consultation communications were targeted at stakeholders located inside the CBF's funding zone or to organisations that might deliver a service to the community within it. This was to ensure that stakeholders with potential projects located outside the funding zone were not disappointed as they would not be eligible to apply for grants.

Over the duration of the consultation, direct emails were sent to 129 Parish and Town Councils and 110 elected Councillors (District and County Council) within the funding zone. Local MPs, wildlife and conservation organisations and Local Authorities at district and county level were also contacted. In total, eight separate targeted emails were circulated, to remind and update these stakeholders about each stage of the process. Community Action Norfolk and Community Action Suffolk, who work directly with and support their local community and voluntary organisations, were also engaged. All information about the consultation was available and updated on GrantScape's and Ørsted's website during the entire process.

Ørsted also communicated the Hornsea 3 CBF consultation on its website, social media channels, and within press releases issued to the local media.

Stage 2 meetings were held with representatives of the following organisations.

- Community Action Norfolk
- Borough Council of King's Lynn and West Norfolk
- Great Yarmouth Borough Council
- Norfolk County Council
- North Norfolk District Council
- Broadland District Council and South Norfolk Council
- Community Action Suffolk
- East Suffolk District Council
- Natural England
- Norfolk Wildlife Trust
- Norfolk Community Foundation
- A number of Parish Councils

Nine, **Stage 3**, public events were held in February 2023 at the following locations:

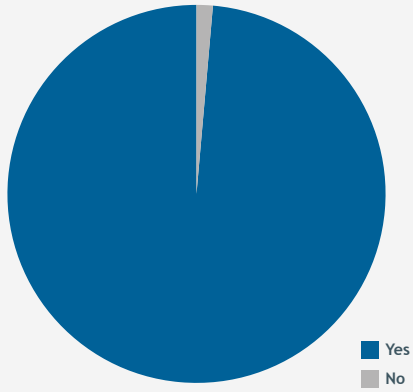
King's Lynn, Reepham, Wells-next-the-Sea, Swardesdon, Great Yarmouth, Lowestoft, Holt, Sheringham and Mundesley. Groups were also able to reserve 30 minute virtual sessions with a member of the GrantScape team over two days on 16 and 17 February.

Stage 3 Consultation Event in Holt

The Results of the Consultation

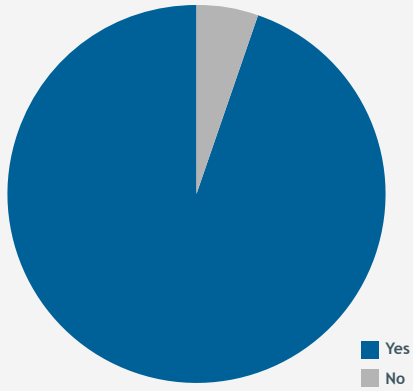
The **Stage 1** survey received 128 responses. The graphs below show the key findings and what this has told us.

Should the Hornsea 3 CBF support the same themes as the ECCF?



What does this tell us..
This demonstrates clear agreement to continue supporting the four main themes that the ECCF currently priorities (see back page).

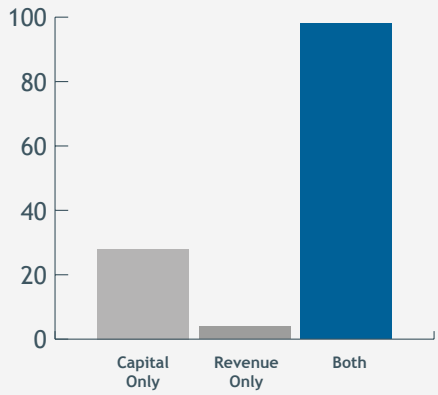
Should the Hornsea 3 CBF support the same organisation types as the ECCF?



What does this tell us..
This tells us there is clear agreement for the Hornsea 3 CBF to continue to support the same types of organisations as the ECCF (see back page).

> "Very helpful to be able to drop-in and discuss"

Should the Hornsea 3 CBF provide grants for capital or revenue projects?



What does this tell us..
There is clear support that the Hornsea 3 CBF should provide both revenue and capital grants when it opens to applications.

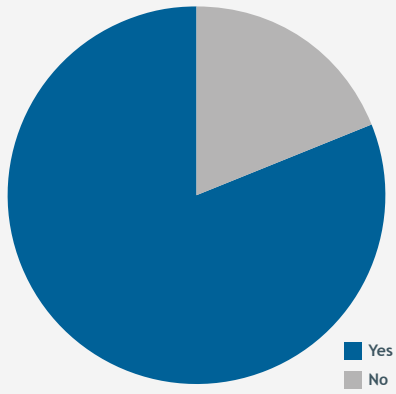
Percentage of responses supporting different sized grants

What does this tell us..

There is significant support for smaller grants, and grants up to £25,000, but many responses demonstrated a willingness to support higher value projects too. This was taken into consideration when drafting the high-level criteria.

> "Good to see Ørsted investing in the communities in which they operate"

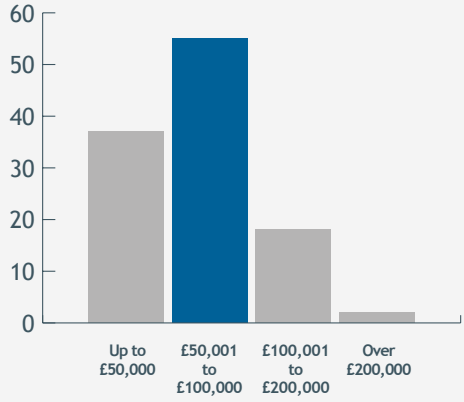
Do you agree that a 20% minimum match funding level should be set for grants over £5,000?



What does this tell us..

There is high support for organisations to provide match funding for grants over £5,000 which was taken into consideration when drafting the high-level criteria. Grants below £5,000 will not be required to provide any match funding.

How much of the £700,000 annual donation should be set aside for a Skills Fund?



What does this tell us..

The majority of responses were to support a Skills Fund between £50,000 and £100,000. As there were several responses supporting a Skills Fund above £100K, the draft criteria has been set at the higher upper limit of £100K per year.

> "This will be invaluable to many charities and Parish Councils in the Lowestoft area"

Stage 2
The feedback from Stage 1 was then shared with key stakeholders in Stage 2. Representatives of all the organisations consulted agreed that the draft criteria was appropriate for the Fund and its geographical boundary.

Stage 3
In Stage 3, the high-level draft criteria were shared at the public events. Over 150 individuals attended the events, and 19 organisations joined one-to-one virtual events with a member of the GrantScape team. Attendees were asked to add a pin to a map to show the location of a potential project requiring funding. More than 170 pins were placed on the map across all of the events.

120 attendees provided further written feedback from these events. The key points were:

110
attendees confirmed they were likely to apply for a grant

98.5%
confirmed they were happy with the proposed funding levels

75%*
confirmed they were happy with the proposed themes of the Fund

92%
confirmed they were happy with the 20% match funding for grants over £5,000

**20% of attendees selected 'Don't Know' and only 5% suggested other types of projects and themes.*

It is important to note that not all Stage 3 attendees agreed with the criteria. Many individuals felt strongly that the Fund should be invested in projects along the onshore cabling route near to the construction works. It was difficult for these individuals to understand why the Fund will support coastal communities in areas away from any direct activity of the development. On each occasion, GrantScape took the time to explain that the fund is intended to provide community benefit across the broader region with the communities which host the HOW03 offshore wind farm project. Grants will therefore not be decided upon on the basis of proximity of construction but on the merits that each community project or initiative has in this broader geography.

The Skills Fund

A total of £100,000 of the available amount will be committed each year to a Skills Fund. It is expected that this will be targeted towards Science, Technology, Engineering and Maths (STEM) disciplines which is in keeping with Ørsted's vision and values. There are many potential options for a Skills Fund, and as of April 2023, there is still further consultation required with key stakeholders to help determine the best use of this funding. It is expected the Skills Fund criteria will be announced in Summer 2023 when the main Fund is launched.

Inspired By Green

Ørsted is keen to ensure that organisations receiving grants from all of its CBFs have reflected on their environmental impact and are taking positive action in relation to environmental sustainability and will, therefore, encourage carbon reduction. The Hornsea 3 CBF will therefore encourage organisations to submit 'Inspired by Green' applications. Organisations that apply to the Fund, regardless of the project they are seeking funding for should, therefore, be considering steps to minimise the carbon footprint of the project they are seeking funding support for.

Conclusions and Next Steps

GrantScape would like to thank everyone who has participated in the consultation. We would particularly like to thank the Parish Clerks and elected Councillors who have shared the consultation information within their communities. We are also grateful to Community Action Norfolk, Community Action Suffolk, the District and County Councils, and the Norfolk Community Foundation for helping us share the information to the community and voluntary groups within the funding zone.

High Level Criteria

Based on the feedback from all three stages of the consultation, the following criteria will form the basis of the Hornsea 3 Community Fund.

Each year, £100,000 of the Fund will be ring-fenced for a STEM Skills Fund and an additional £100,000 will be ringfenced for an single 'Legacy' capital project. The remaining £500,000 will be split equally over two funding rounds, supporting for both revenue and capital grants.

These will be split between:

- Small grants between £500 and £5,000 (no match funding).
- Main grants between £5,001 and £75,000 (20% match funding required).

The Fund will support four themes which are:

- **Community buildings and facilities.** For example: capital improvement works to village halls, community centres, museums, heritage centres and community cafes. Projects that help transition to greener operations are particularly encouraged.
- **Community activities and services**. For example: projects addressing health and wellbeing, social isolation, community cohesion, access to amenities, young and old people's projects and projects providing support for local clubs and groups.
- **Environmental, green initiatives and public open space projects**. For example: projects involving habitat/species conservation, community growing schemes and public parks.
- **Sports, recreation and play.** For example: playgrounds, skate parks, indoor climbing walls, sports equipment and sports field drainage projects.

Eligible organisations that can apply for grants include:

- Voluntary and community groups, and local charities
- Parish and Town Councils
- Local Authorities (if the application is being led and driven by a community organisation)
- Social Enterprises and Community Interest Companies

Next Steps

An Advisory Panel (AP) will be established with representatives from Local Authorities, Community Action Norfolk, Community Action Suffolk, the Norfolk Community Foundation and organisations with conservation and wildlife backgrounds. The members have been carefully selected to ensure all areas that can benefit from the Fund are well represented by individuals with extensive local knowledge of the local community and environment. Details of all organisations on the AP will be listed on GrantScape's website. The AP will help to finalise detailed criteria before the Fund is opened to applications. This is expected to be in the Summer of 2023.

GrantScape will contact all organisations on its distribution list to advise when the Fund is open. Please email us at the address below to be added this list.

GrantScape
The Experts in Community Fund Management

www.grantscape.org.uk
Tel: 01908 247630
E-mail: hornseathree@grantscape.org.uk