



THE  
ISLANDS  
SCOTLAND ACT 2018

ACHD  
NAN EILEAN  
ALBA 2018

Island Communities Fund

Maoin Coimhearsnachdan nan Eilean

## Frequently Asked Questions

### Can we use this programme as match funding for an existing project?

Yes. A grant may be considered for projects that have already received funding, on the condition that the funded phase of the project delivers against the overarching aims of the Island Communities Fund.

### How much can I apply for?

You can apply for up to £150,000 through this programme. This can be for a standalone project or part of a larger programme of works.

### What is the National Islands Plan?

The National Islands Plan is the document created by Scottish Government following significant consultation with communities across the Scottish islands – it created a number of strategic objectives and commitments pertaining to each objective. It can be read here <https://www.gov.scot/publications/national-plan-scotlands-islands/>

### Can we use this funding as 'last brick' investment?

Yes. A project may already have commenced but be incomplete, on the condition that the funded phase of the project delivers against the overarching priorities of the Island Communities Fund.

### If we have no track record in securing government funding, should we still apply?

Yes. Applications are encouraged from businesses and community groups regardless of track record – as long as the application meets the criteria and ambition of fund as identified in the Guidance Document.

### Can funding be sought for projects that are already in development?

Yes. It is for you to identify in your application why the funding is needed and for what stage of any project plan or programme. There is space to explain this in the application – and therefore we recommend you read the Guidance Document.

### Does my project need to have match funding?

No. Match/joint funding approaches are encouraged, but are not essential.

### How important is the geographic reach of my project?

The investment is designed to support island communities and meet the objectives and priorities laid out in the National Islands Plan and the Implementation Route Map. Therefore your remit can be on one island or more than one island. To ensure you are eligible please read the Guidance Document.

### What about VAT?

The grant should be provided net of recoverable VAT. If a project cannot recover the VAT they are allowed to include this in the project costs.



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### **When will we receive the funds and how will they be staged?**

Finance will be allocated within four weeks of a project being awarded grant funding, assuming due diligence processes have been completed satisfactorily and the recipient has agreed to and returned a signed Partnering Agreement.

### **Is payment in advance or in arrears?**

Successful projects will receive their funding in advance of need.

### **Can we submit more than one application?**

Multiple applications are welcome from any island business or island community group, with the understanding that a preference exists for funding to be allocated to multiple projects. In this regard, two different premises owned by the same business/community group may represent different projects.

### **What monitoring will be required if we are successful?**

You will be required to spend against budget updates on a regular basis (potentially monthly). You will also be asked to collate data pertaining to your funding which may relate to jobs created, carbon saved, communities engaged, etc.

Any underspend will be reinvested in the fund.

You will be required to provide at least one case study as to the impact the funding will have on your community/organisation/island and will be supported to deliver that through Inspiring Scotland. You will need to provide a final update report against your expenditure, projected targets and outcomes at the end of March 2022.

### **Can you provide examples of the type of projects that are likely to be funded?**

Projects must support environmental sustainability whilst contributing to economic recovery.

The following types of investments could be considered (but not limited to this list) if they met the programme criteria (please read the Guidance Document) and contributed to the outcomes and policies provided:

- Installation of facilities to support green business operation or tourism
- Sustainable agriculture
- Electric transport
- Renewable energy sources
- Recycling / repurpose projects
- Green tourism facilities
- Small scale recycling
- Sustainable transport
- Active travel

### **Will there be funding after March 2022?**

At this stage we cannot confirm this.



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### **Who can I contact you to get more information and support?**

For further questions about the application process please contact [enquiries@inspiringscotland.org.uk](mailto:enquiries@inspiringscotland.org.uk) and we will respond in 4 working days.

### **What does natural capital mean?**

Natural Capital can be defined as the stocks of natural assets which include geology, soil, air, water and all living things.

### **What is meant by capital expenditure?**

Capital Expenditure is money spent by a business or organisation on acquiring or maintaining fixed assets, such as land, buildings, and equipment.

Capital expenditure creates or enhances a non-current asset (known as a fixed asset), provided the value exceeds the thresholds set by the Scottish Government.

Types of assets include the following:

- Capital assets (tangible and intangible) are used to produce or supply goods and services, for rental or administrative purposes. They are expected to be used for more than one year and their value will decrease over their lifetime if subject to depreciation charges.
- Tangible assets - property, plant and equipment (PPE) include land, buildings, dwellings, transport, equipment and IT.
- Intangible assets are non-monetary assets without physical substance. Examples are software, software licenses, research and development, website costs and EU emissions.
- Assets (other than assets that are still under construction/development) added to the non-current asset register (NCAR) will decrease in value if they are subject to capital charges known as depreciation or amortisation.