

RWE Bowbeat Wind Farm Community Fund

Foundation Scotland and the Community Councils of the Royal Burgh of Peebles & District and Eddleston & District

Memorandum of Understanding

This Memorandum of Understanding ('MoU') is made by and between Foundation Scotland ('Foundation Scotland') and the Community Councils of the Royal Burgh of Peebles & District and Eddleston & District (each a 'party', together 'The Parties') and supersedes any previous MoUs between The Parties. This MoU will be signed separately by each party.

Contents

Part 1:	Introduction	2
1	Context & Purpose of this MOU	2
Part 2:	Fund Context	3
2	Fund Administration	3
3	Fund Purpose.....	4
4	Fund Distribution	5
5	Fund Decision-making	6
6	Fund Reviews	6
Part 3:	How The Parties will work together	7
7	Responsibilities of the parties.....	7
8	Responsibilities of Foundation Scotland	7
Part 4:	Changes, Complaints & Disclaimer.....	7
9	Modification of Memorandum of Understanding	7
10	Termination of Memorandum of Understanding.....	8
11	Signatory organisation/s Ceasing to Operate.....	8
12	Complaints	9
13	Disclaimer.....	10
	Signatures of the Parties	10

Part 1: Introduction

1 Context & Purpose of this MOU

- 1.1 RWE Renewables UK Operations Limited (the "Donor"), newly owner of RWE Bowbeat Wind Farm, has agreed to provide a fund for the benefit of residents in the areas served by the three Community Councils of the Royal Burgh of Peebles & District, Eddleston & District, and Innerleithen & District, which together form the overall RWE Bowbeat Wind Farm Community Fund area of benefit.

The Donor will make an initial annual donation to the overall RWE Bowbeat Wind Farm Community Fund of £156,000, which is based on a figure of £5,000 per installed megawatt (MW) capacity of the 31.2MW wind farm. Subsequent annual donations will rise with inflation in line with the Consumer Price Index. These annual donations are to be made for the remaining operational lifespan of the wind farm, this being the five year period 2025-2030.

It has further been agreed amongst the three Community Councils and Foundation Scotland that two-thirds of each year's income will be ringfenced for the communities within the Royal Burgh of Peebles & District and Eddleston & District, and one-third for the communities within Innerleithen & District.

- 1.2 Under a Fund Agreement, the Donor has appointed Foundation Scotland, to hold and manage the overall RWE Bowbeat Wind Farm Community Fund. In the event of the wind farm being sold, the Donor has undertaken to make all reasonable efforts to secure the continuation of the community benefit fund obligations laid out in the Fund Agreement.
- 1.3 Foundation Scotland is a registered charity (no. SC022910) dedicated to strengthening communities by distributing community funds using a developmental approach which takes account of local circumstances, facilitating decision-making arrangements that are inclusive, accountable and community-led and promoting and harnessing community strengths.
- 1.4 The two Community Councils of the Royal Burgh of Peebles & District and Eddleston & District play an important role in representing the interests of the communities they serve.
- 1.5 This Memorandum of Understanding (MoU) sets out how Foundation Scotland and the two Community Councils of the Royal Burgh of Peebles & District and Eddleston & District will work together to ensure best possible outcomes and positive impact from the funding ringfenced for the communities within the Royal Burgh of Peebles & District and Eddleston & District. This will be known as the RWE Bowbeat Wind Farm (Peebles & Eddleston) Community Fund ("the Fund").

1.6 The purpose of this MoU is to:

- Outline the roles and responsibilities of Foundation Scotland and the Community Councils of the Royal Burgh of Peebles & District and Eddleston & District in relation to the operation of the Fund.
- Provide a document that can be shared with other community stakeholders to give clarity about what the relationship between parties involves.
- Provide consistency of approach by, and sustainability of the relationship between, Foundation Scotland and the Community Councils of the Royal Burgh of Peebles & District and Eddleston & District through any personnel changes.
- Provide transparent information about what will happen in the event of any changes which might affect existing arrangements.

Whilst it is not legally enforceable or binding, this MoU does seek to provide a written record of how the parties will work together.

1.7 The implementation of MoU is dependent on the continuing implementation of the Fund Agreement between Foundation Scotland and the Donor or its successor as referred to at 1.2 above.

Part 2: Fund Context

2 Fund Administration

- 2.1 The Fund is to benefit the communities of the Royal Burgh of Peebles & District and Eddleston & District. This 'Area of Benefit' is defined by the external boundaries of the two Community Councils in place at the date of signing this MoU.
- 2.2 The first community benefit donation ring-fenced for the Royal Burgh of Peebles & District and Eddleston & District is £104,000. Subsequent annual donations to the Fund will rise with inflation in line with the Consumer Price Index.
- 2.3 As Fund administrator, Foundation Scotland will receive and ringfence annual income to the Fund. This means the money can only be used for the charitable purposes laid out in the Fund Agreement between Foundation Scotland and the Donor, described in 3.1 below.
- 2.4 In undertaking this role Foundation Scotland will:
- Support and advise the Fund 'Decision-Making Group' (see section 5 below) on Fund Strategy and approaches to distribution.

- Provide financial management, including processing annual income, making grant and other forms of payments, and maintaining financial records.
- Undertake all aspects of funding distribution in line with the Fund Strategy, including (for grant-making) offering pre-application advice to potential applicant groups; receiving funding requests (online); conducting due diligence and proportionate assessment of the competence of applications against the Fund purpose, priorities and other criteria; providing assessment reports and any other relevant supporting documentation to the Decision-Making Group; notifying applicants of the outcome of their funding request; grant financial management (as described above); monitoring the impact of funded activities and the wider Fund, and maintaining all appropriate records.
- Provide other forms of support to enable other forms of Fund distribution where appropriate.
- Co-ordinate and support the recruitment/appointment, induction, training, and operation of the Fund Decision-Making Group in accordance with a Terms of Reference and Code of Conduct (or equivalent) and other relevant Foundation Scotland policies.
- Report on Fund finances, award making, and impact to relevant stakeholders and the Donor.
- Promote the Fund and the opportunities and impact it provides, including making all relevant information publicly available online.
- Co-ordinate and support the periodic review of the Fund's delivery and impact as described at Section 6 below.
- Work in good faith with all parties to the MoU on all matters relating to the successful operation of the Fund.

2.5 Foundation Scotland's costs in relation to the services will be paid in full by the Donor(s) over and above the annual donation to the Fund for distribution as grants.

3

4 Fund Purpose

4.1 Under the Fund Agreement with the Donor, the Fund can support activities to advance 'Charitable Purposes' that benefit residents in the Area of Benefit, but not including the exceptions listed in 3.2 below. Charitable Purposes are defined in the Charities and Trustee Investment (Scotland) Act 2005.

4.2 The Fund cannot support:

- The advancement of religion or party politics

- Activities that are the statutory responsibility of statutory authorities
- Projects benefiting primarily those resident outwith the Area of Benefit
- Activities contrary to the interests of Donor, its successors as wind farm owners or its subsidiaries
- Activities likely to bring the Foundation, the Donor, its successors as wind farm owners or its subsidiaries into disrepute
- Anti-renewable energy/windfarm activities
- Retrospective funding (i.e. paying for costs incurred before a decision on an application to the Fund for support can be made)

In addition the Fund will not support other excluded activities or costs as determined from time to time by Foundation Scotland policy and published on our website (see <https://www.foundationscotland.org.uk/apply-for-funding/help-for-applicants/what-we-cant-fund>). We will notify signatory bodies of any changes to exclusions.

- 4.3 Working with the Decision-Making Group and reflecting any relevant consultations with residents of the Area of Benefit, Foundation Scotland will seek to identify Fund priorities that reflect the needs and aspirations of local people. These priorities will be clearly stated on the Fund web page, application materials, and in any Fund Strategy developed. They may be subject to change following reviews of the Fund.
- 4.4 The Fund will operate in accordance with Foundation Scotland's governance, standard eligibility criteria (see <https://www.foundationscotland.org.uk/apply-for-funding/help-for-applicants/common-eligibility-criteria>) and grant-making policies and other best practice guidance as Foundation Scotland may adopt from time-to-time.

5 Fund Distribution

- 5.1 The Fund may be distributed using a range of approaches, identified in discussion with the Fund Decision-Making Group.
- 5.2 Common distribution approaches may include open grant-making, targeted or solicited awards (direct approaches to organisations and co-production), commissioning (usually via an open tender process), funding community development officers, participatory budgeting or grant making, bursaries to individuals for education and training purposes, and micro-grant schemes. This list is not exhaustive.
- 5.3 Micro-grant schemes can be run by the Community Councils of the Royal Burgh of Peebles & District and Eddleston & District, or by alternative community organisation(s) nominated by the Community Councils of the

Royal Burgh of Peebles & District and Eddleston & District, to award small grants for general charitable purposes in response to requests from individuals, un-constituted (i.e. informal) or constituted groups within the relevant area. Micro-grants schemes should operate in line with Foundation Scotland guidelines – see <https://www.foundationscotland.org.uk/running-micro-grants-scheme>.

6 Fund Decision-making

- 6.1 Foundation Scotland will be advised by the Decision-Making Group, often known as the Fund “Panel”, the composition and operation of which is laid out in the group’s Terms of Reference.
- 6.2 The Decision-Making Group will recommend and review the priorities for the Fund, help promote the Fund, and advise on distribution of funds, in line with the Terms of Reference. It is recognised that group members will have specific awareness of the needs of the area, and that this awareness can lead to a more effective use of the Fund’s resources in supporting local projects.
- 6.3 Foundation Scotland undertakes to respect the recommendations of the Decision-Making Group provided these do not conflict with Foundation Scotland’s obligations as a registered charity. The Trustees of Foundation Scotland bear ultimate responsibility for the Fund.
- 6.4 Should the Decision-Making Group cease to operate for any reason, Foundation Scotland will continue to administer the Fund arrangements, including making funding awards, while seeking to re-establish a decision-making or a similar advisory group of local representatives. As far as possible, Foundation Scotland will seek to do so in conjunction with the Donor and the Community Councils of the Royal Burgh of Peebles & District and Eddleston & District or alternative community organisation(s) in the event that the Community Councils of the Royal Burgh of Peebles & District and Eddleston & District are no longer operating.

7 Fund Reviews

- 7.1 In accordance with the Scottish Government’s Good Practice Principles for Community Benefits from Onshore Renewable Energy Development (2019), the delivery and impact of the Fund will be reviewed in year one and thereafter at least every two years, with a view to identifying any feasible changes that may improve the Fund’s impact. This may be more frequent initially.
- 7.2 Reviews will be delivered by Foundation Scotland working with the Fund Decision-Making Group and other stakeholders as necessary. Any proposed

changes to how the Fund will be geographically targeted or distributed may also need to be agreed with the Donor prior to being implemented. Foundation Scotland will be responsible for recognising where this is the case.

Part 3: How The Parties will work together

8 Responsibilities of the parties

The two Community Councils of the Royal Burgh of Peebles & District and Eddleston & District will:

- 8.1 Nominate the agreed number of representatives to the Fund Decision-Making Group, where this has been agreed in the Terms of Reference, and advise Foundation Scotland of the contact details of those representatives and any changes to those details in a timely manner.
- 8.2 Set out the availability locally of any 'micro-grant' budget available from the Fund. Limits on the annual amount available for such a micro-grants fund will be determined by the Panel and limited to no more than 20% of the annual Fund income, and the maximum amount that may be awarded as individual micro grants are set by Foundation Scotland, and may be subject to review from time to time. Foundation Scotland's guidance and standard terms and conditions for running micro grants schemes will be made available on its website.
- 8.3 Nominate an alternative organisation to run a micro-grants scheme where that is the preferred option. As Fund Administrator, Foundation Scotland is required to approve this nomination, following its own due diligence processes.
- 8.4 Help promote the Fund and the opportunities and impact it provides.
- 8.5 Agree to co-operate in good faith with any other signatory to this MoU and with Foundation Scotland on all matters relating to the successful operation of the Fund.

9 Responsibilities of Foundation Scotland

- 9.1 Fulfil all responsibilities noted at 2.4, 3.3, 4.2, 6.2 and 7.3.

Part 4: Changes, Complaints & Disclaimer

10 Modification of Memorandum of Understanding

- 10.1 Amendments or alterations to this MoU can be recommended at any time by any of the parties, but must be approved by all, unless any party has already ceased to operate.

11 Termination of Memorandum of Understanding

- 11.1 Should the Fund Agreement be terminated by either the Donor or Foundation Scotland, the terms of this MoU will also cease to apply in line with any notice period provided for in the Fund Agreement, currently 90 days.
- 11.2 Either Community Council can end the relationship described in this MoU for any reason by giving Foundation Scotland a minimum of three months' written notice.
- 11.3 Foundation Scotland can seek to end the relationship described in this MoU by giving either or both Community Councils a minimum of three months' written notice, in the event of any of the situations listed below occurring:
- The Community Council(s) in question is suspended or under investigation by the local authority or any other body;
 - The Community Council(s) or its/their members act in a manner that could be considered as threatening, offensive, bullying, coercive or harassing towards the Donor's staff, Foundation Scotland staff or other Fund stakeholders. For definitions of bullying and harassment, please refer to Foundation Scotland's Third-Party Anti-Bullying and Harassment Policy, which can be found on Foundation Scotland's website.
 - The Community Council(s) or its/their members act in a manner likely to bring the Foundation, the Donor, its successors as wind farm owners or its subsidiaries into disrepute;
 - Any analogous situations to the above.

However, in the event of any such situations emerging, Foundation Scotland commits wherever possible to seeking initially to raise, discuss and seek resolutions to such issues amicably as early as possible with relevant members of the Community Council(s), such that termination of the MoU is a last resort if matters cannot be resolved, are repeated or are of sufficient seriousness.

12 Signatory organisation/s Ceasing to Operate

- 12.1 In the event of either of the Community Councils of the Royal Burgh of Peebles & District or Eddleston & District ceasing to operate, any of their representatives on the Fund Decision-Making Group will be deemed to have resigned their positions at the date the organisation they represent ceased to operate.
- 12.2 In such circumstances, Foundation Scotland will continue to administer the Fund in accordance with the arrangements set out in this MoU and until such

a time that a new equivalent representative local body has been identified or established.

- 12.3 In the event of Foundation Scotland being unable to continue to operate the Fund, it is likely that the Donor will endeavour to make alternative arrangements for managing the Fund as soon as possible.

13 Complaints

- 13.1 If the Community Councils of the Royal Burgh of Peebles & District and Eddleston & District or any other local stakeholders have a complaint regarding the work of Foundation Scotland, or its appointed representative, the organisation should follow Foundation Scotland's published Complaints Policy which can be viewed here:
<https://www.foundationscotland.org.uk/about-us/resources>.
Foundation Scotland will address any Complaint in accordance with its published policy.
- 13.2 Should Foundation Scotland fail to respond in accordance with its published Complaints Policy, or fail to adequately resolve any complaint, the Community Councils of the Royal Burgh of Peebles & District and Eddleston & District may take the complaint to the Donor.
- 13.3 Members of the Fund Decision-Making Group will follow the complaints procedure set out in the group's Terms of Reference; and any Community Council representative/s on the Decision-Making Group who is/are contacted in their capacity as a member of the group regarding a complaint about the Fund should refer to the Terms of Reference in the first instance.
- 13.4 If Foundation Scotland receives a complaint from any third party regarding the actions of any representative of the Community Councils of the Royal Burgh of Peebles & District and Eddleston & District in relation to the provisions set out in this MOU, a representative of Foundation Scotland is to lodge the complaint with the respective Community Council in writing and the complaint will be considered at the next scheduled meeting of the respective Community Council and/or in line with the group's own complaints policy should this be in place (a copy of which will be made available on request). The respective Community Council will work with Foundation Scotland to agree a satisfactory resolution to the complaint should it be upheld. The respective Community Council will respond to the complainant and notify Foundation Scotland of its response within four weeks of the matter being considered.

14 Disclaimer

14.1 This Memorandum of Understanding is a statement of intent in relation to the operation of the Fund and is not intended to create a partnership, joint venture or other legally binding relationship between any signatories nor to establish the parties as Trustees of the Fund.

Signatures of the Parties

For: Royal Burgh of Peebles & District Community Council

Signature: _____
(Scanned signatures are permissible)

Name, Role: Peter Maudsley, Community Councillor & Chair

Date: 13 / 02 / 2026

For: Eddleston & District Community Council

Signature: _____
(Scanned signatures are permissible)

Name, Role: Gordon Harwell, Community Councillor & Chair

Date: 15 / 02 / 2026

For: Foundation Scotland

Signature: _____
(Scanned signatures are permissible)

Name, Role: Rachel Searle, Head of Communities & Impact

Date: 16 / 02 / 2026

CERTIFICATE *of* SIGNATURE

REF. NUMBER
GXPUP-HVEXN-2JBSQ-3PEFD

DOCUMENT COMPLETED BY ALL PARTIES ON
16 FEB 2026 17:03:33
UTC

SIGNER

TIMESTAMP

SIGNATURE

PETER MAUDSLEY

FMAIL

SENT
13 FEB 2026 09:10:10
VIEWED
13 FEB 2026 11:58:58
SIGNED
13 FEB 2026 12:02:42



IP ADDRESS

LOCATION
PEEBLES, UNITED KINGDOM

RECIPIENT VERIFICATION

EMAIL VERIFIED
13 FEB 2026 11:58:58

GORDON HARWELL

FMAIL

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SENT
13 FEB 2026 09:10:10
VIEWED
15 FEB 2026 20:42:13
SIGNED
15 FEB 2026 20:46:51



LOCATION
RUISLIP, UNITED KINGDOM

RECIPIENT VERIFICATION

EMAIL VERIFIED
15 FEB 2026 20:42:13



CERTIFICATE *of* SIGNATURE

REF. NUMBER
GXPUP-HVEXN-2JBSQ-3PEFD

DOCUMENT COMPLETED BY ALL PARTIES ON
16 FEB 2026 17:03:33
UTC

SIGNER

RACHEL SEARLE

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TIMESTAMP

SENT
13 FEB 2026 09:10:10
VIEWED
16 FEB 2026 17:03:16
SIGNED
16 FEB 2026 17:03:33

SIGNATURE



IP ADDRESS

LOCATION

GLASGOW, UNITED KINGDOM

RECIPIENT VERIFICATION

EMAIL VERIFIED
16 FEB 2026 17:03:16

