

Project number: 1

Tenure: Owned outright by Community Interest Company

Date project funding granted: 2007

Geography: Very remote rural

SIMD decile: 7

Type of project (e.g. community building; amenity; energy project etc.):

A community building that offers a hall and kitchen, workspace, outside area for camping, etc.

Project objectives:

The project forms part of a wider initiative to regenerate the area. It has involved building houses to attract incoming residents, and was conceived as offering workspaces to create employment opportunities for these residents. It also has an objective to bring visitors and temporary residents into the area.

A brief description of the project and its main asset(s):

The project is a new build, purpose built to provide workspaces, facilities for events, and to provide a base for community activities. It is an eco-build with high standards of insulation, renewables and an educational / learning dimension. There is a hall, kitchen, bar and sound system in place

Users include the Beavers, Cubs and Scouts; Yoga classes; massage; an artist's studio; Canine Bowen Therapy; camping groups; a hang-gliding base; a Deer larder; musicians for practice and gigs; parties and weddings and is open to other uses.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

The project came about in response to an opportunity. The land on which it is based was donated by a farmer who had returned to the area to inherit the farm that by that time was run down. He wanted to 'turn round' the farm and help create a thriving business and contribute to the general regeneration of the area.

In 2003, he and his partner set up an Action Group with friends and other local residents with the aim of realizing the vision. "To work as a farm, and to diversify into other activities so as to include other people, and to provide housing and employment at a sustainable level"

Some land and outbuildings were sold to members of the Action Group who built houses for themselves: the money received for these sales enabled the farmer to convert the remaining buildings into social housing for rent to other members of the group/other local people.

The farmer's partner is an architect and she had an important role in turning ideas into practical propositions. The houses were built with the last being occupied in December 2010.

In 2007, once the building was well underway, the group started to focus on creating workspace and other facilities for the incoming residents and the wider community and the Community

Interest Company was set up to take forward plans for what was to become the project. It opened in 2011, and the build was 100% funded via Growing Community Assets and other smaller grants. Funds were available to employ a paid part-time development officer until April 2014, although the post holder resigned in 2013 and for the remaining funded period someone was employed to improve marketing and publicity for the project.

Since that time the project has been run on an unpaid voluntary basis by the current Secretary to the company along with other local residents. The previous secretary had withdrawn due to 'burnout'. There is a paid part-time cleaner.

What factors have supported the development project?

The original donation of the land on which the project is based by the landowner

Successful application to Big Lottery Fund, with an unexpected positive decision – may have been successful due to the combination of eco-design, renewables, involvement of volunteers, its rural regeneration potential

Helpful and supportive local authority: councillors attend the AGM, and small grant have been awarded for small business development, yoga equipment and the website.

Appeal of the facility to a wide and varied range of users, often through word of mouth

What factors have hindered or challenged the development of the project?

The cost of insurance is a major drain on the finances of the project – at £2500 it amounts to 25% of annual income of approximately £10,000. The building was previously insured under the village halls scheme operated by the local authority and was £1000 cheaper, but it is now not eligible for this scheme due to the high value of the equipment in the building. This cripples the ability to purchase needed equipment; to improve the kitchen; to develop a needed office space; or to improve the IT infrastructure or to employ an administrator.

The pellet burner heating installation, while eco-friendly, is unreliable and frequently breaks down. It is difficult to get specialist tradesmen to attend and repair as they are 90 minutes travel time away.

Although a local builder would have been preferred that contract was awarded to a somewhat distant company who had to bring in specialists from elsewhere.

The project depends almost entirely on volunteer time from one main person. It is a small community and several people of retirement age are still having to work, reducing the time available to volunteer by 'active retirees'. The lack of more volunteers is a significant future risk, and there are insufficient funds to employ an administrator.

The people involved are much the same as those involved at the start, 15 years ago. There needs to be a group of much younger people willing to take on the challenges and rewards of running the

project.

Have wider environmental or contextual factors influenced the project? If so, how?

The location of the project means it is not eligible for several potential sources of funding: it is near but not in one of the National Parks, near but not in the HIE area; is not classified as deprived, and the local landforms and prevailing wind direction and reliability make it unsuitable for windfarm development. The organisation is not eligible for windfarm funding despite being very close to a windfarm benefit area with many users living within the windfarm benefit area.

Prominent Community impacts:

The project is well-used and most people are positive about it. The Beavers, cubs and scouts love it. It probably helps keep people in the area, which is important, and in time it may well attract back younger people who have left for further and higher education or work in the cities.

It has seen the learning of new skills, setting up new groups, supporting new businesses. The regular yoga sessions are well supported, particularly by women in their fifties or older, who would otherwise be isolated. The next nearest yoga class is a 2 hour drive away.

There are great concerts with a small but enthusiastic following. It is affordable for small bands, in fact there is a greater demand than can be accommodated.

There have been conferences and workshops on matters of rural ecology including coppicing and low-tech farming.

Some of the more traditional voices in the area think that the project is a 'bit weird' and that the community should stick to the sheep farming it has always done – however this is not a majority view.

What benefits and challenges are attributable to tenure option?

The facility is owned by the community and there was no other option available as it was a new build. The benefit of this is to be in full control and not to be 'pushed around' by outside bodies.

The challenge is to generate sufficient income to sustain the facility and ideally to fund further development. At present income and expenditure are in balance.

What are the project's future aspirations?

There are many ideas for future development and also in the wider area, but for any of these to be taken forward would require the employment of an administrator, for which there are no funds. They would like to be able to market and promote the facility more widely to encourage more use, but this would require a significant upgrade to the administrative systems, most of which are paper based at present.

A number of lessons were identified:

- First a belated recognition that the skillset for development is different from that of operational management, and it would have been good had that been recognised from the start.
- Second, that while the Growing Community Assets funding was of course fundamental to the project being established, ~~but~~ more consideration should be given to the longer term sustainability of the project and in particular to organisations having access to good quality advice and support on sustaining and development the project after the build is finished.
- There seems to be a shortage of skilled development staff and again this is an area in which more consideration would be helpful – some of the conditions attached to the grant were less important (but quite costly) than having access to development support would have been.

Other points of note

Project number: 2

Tenure: Outright ownership of grounds and building (and adjacent buildings)

Date project funding granted: 2006/07

Geography: Urban

SIMD decile: 1

Type of project (e.g. community building; amenity; energy project etc.): community building

Project objectives: (from website)

- Raise awareness and knowledge within the town and the surrounding communities with both young and old, of the rich heritage within the town
- Create a visual display and oral history of the area therefore ensuring that this rich heritage will be documented for both the present and the future.
- Assist preservation of local historical artefacts.
- Improve community spirit.
- Provide opportunities for learning, development and participation by encouraging participation from schools and local groups to enhance the project through learning days and seminars with a 'hands-on' approach.
- Create visual historical presentations and outreach materials for use in outreach projects to local schools and groups.
- Recruit and develop a volunteer group to increase the facility through events within the centre such as family history days, film shows, amateur play groups etc.

A brief description of the project and its main asset(s): (from website) A community resource centre containing

- Multi purpose hall (299 sqm)
- Large gym (184 sqm)
- 3 training Rooms
- 3 business Units
- Exhibition and Information area
- IT training facility
- Small private conference room (6-8 people)
- Full In-house catering service
- Internet access
- WiFi

It is a new build behind a retained façade from an earlier community hall.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

The project was developed by a long-established society (est. 1928). On the site owned by the society there is a social club (1960) and an indoor bowling hall (1965). The previous hall had been used by local schools and by the society for boxing and provision of advice and information – but it was under-used and rundown. Around 2005 the society decided to make more of the building and engaged architects to do a feasibility study, this recommended demolition and rebuild while retaining the original façade. The society had reserves of £230k but this would be insufficient for

the rebuild so the Big Lottery Fund and regeneration agency were approached. The potential funders asked the society to consult locally on priorities and this was done – the main calls were for a cinema, informal and formal education and meeting places. A business plan was drawn up which envisaged income from letting offices and rooms to local charities, colleges and others and when the project opened in 2008 a local college was leasing space for classes, and a community care charity was also leasing office space. The people involved in the project were members of the society.

What factors have supported the development project?

Long-established local organisation with good links to mining-related organisations and strong local identity; need to respond to decline in local industry and opportunity; financial reserve held, good work done by architects, readiness of organisations to sub-let space. For 2 years or more from the opening of the project in 2008 things went well, with high levels of usage, income coming in, the college providing classes and IT skills developed. Valued local services have been attracted and in several cases retained, and some new ones coming on stream soon.

What factors have hindered or challenged the development of the project?

Cost over-runs during the build

There were a number of issues during the build, in particular the discovery that a major gas pipe ran under the site and needed to be diverted, causing delay and incurring cost. The cost over-run meant that the reserve held by the society was used up, that some land had to be sold, and that the standard of finish in the centre was not as high as had been desired. There are some ongoing problems with the flooring, and heating costs are high, despite LED lighting having been installed recently.

Loss of rental and other income

There was a 'hammer blow' in 2011 when the college gave up its lease to move to a newly-opened facility. At the same time the lottery funding came to an end. Savings have been made by cutting opening hours but this reduces the buzz and feel of the space. The society does not charge local organisations rent when they themselves are poorly funded and do not charge their users, especially where they provide much-needed services (such as alcohol counselling). In the 2015-16 financial year a loss of £25k was incurred – this year it is expected to break even. (It was pointed out that the local authority leisure service is carrying a £14 million deficit)

Loss of key staff

Shortly after the drop in income the project manager moved to another post and was replaced by a manager who became long-term ill after only 6 weeks in post. The post of manager has not been filled in the 4 years since then, as there is insufficient income to fund the post. Since then the full-time administrator has moved on and not been replaced, and the complement of 5 part-time janitors has now reduced to 3, who are the only paid employees.

Lack of capacity to manage and develop the centre

A consequence of the gradual loss of key staff is that there is insufficient capacity to advertise, promote or develop the facility. The centre is well-used in the evenings, but daytime lets, which bring in revenue, are short-term and patchy. Maintenance of the website has lapsed, while the planned cinema, which was originally the priority for the community, has 'died a death'.

Relationship with the local authority and lottery

Individual councillors are supportive, but there is little support from the council as a whole, other than rates relief. In the early days there was good support from the Big Lottery Fund officer managing the project, but he moved on and was not replaced.

Have wider environmental or contextual factors influenced the project? If so, how?

The location of the project on the former coalfield has enabled support from mining-related welfare and development agencies one time. The potential for heritage and historical development is there.

Prominent Community impacts:

The project provides welcomed services for sports and social activities and is well used, especially in the evenings. It provides a first-class resource at an affordable price. Early impressions in the community that it was only for members of the society have been overcome. A small number of jobs have been created and some are still there.

What benefits and challenges are attributable to tenure option?

This is not really a relevant issue as the land and buildings are in the ownership of the society. An approach was made some time ago by another organisation to take over the building and lease it back to the society, but this was rejected.

What are the project's future aspirations?

- Looking at the possibility of attracting windfarm benefit funding
- Looking at the possibility of converting to a SCIO to safeguard the interests and manage risks for the society
- Find ways to recruit a manager
- Attract more community group users who could apply for funds that would include rent contributions.

Other points of note:

Lessons learned

- They should have slowed down in the initial stages, done more research and been sharper on contracting and compliance
- Make sure there is full backing from the organisation
- Research, research, research!
- Have a good business plan
- Make good staff appointments

The society itself is still well supported, active and going strong – several similar societies elsewhere have closed down in recent years.

Project number: 3
Tenure: Outright ownership
Date project funding granted: 2013
Geography: Large Urban area
SIMD: 1
Type of project (e.g. community building; amenity; energy project etc.): community building
<p>Project objectives:</p> <ul style="list-style-type: none"> • Maintain a sustainable social enterprise led by the local community • Offer learning, training and employability for local people from the area and beyond • Enable community involvement through volunteering • Support local health and wellbeing • Offer information and advice on relevant issues and opportunities.
<p>A brief description of the project and its main asset(s):</p> <p>A three-storey centre containing a large sports / event hall; several small and medium sized meeting rooms including a crèche and an arts room, offices, and a café. It is adjacent to the offices of the local housing association in a complex that also includes several housing units. The housing association uses spaces in the centre for occasional activities, such as committee meetings.</p>
<p>The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?</p> <p>Planning for the project took place around 2000-2004. At that time the Community Association was running activities in a run-down former school building. The Housing Association was operating from old premises nearby. When the school building was closed and demolished the community and housing associations got together to draw up plans for the development as described above. Land for the development was originally leased from the council, subsequently and as a condition of GCA funding the site was purchased outright. A cocktail of funding was mixed, with GCA the major source, but with contributions from the council, the housing association, and several others.</p>
<p>What factors have supported the development project?</p> <ul style="list-style-type: none"> • Strong and active support from local councillor when wards were single-member: now with multi-member wards support continues but is more diffuse. • BIG also strongly supportive and helpful – at one point launched a new funding programme from the Centre. • Close involvement of the housing association in its role as an anchor organisation with a role in local regeneration • High-calibre employed (or deployed) staff in roles of business development, financial management, volunteer co-ordinator (grant-funded) and regeneration • The ability of the housing association to access PCF (People & Communities Fund)
<p>What factors have hindered or challenged the development of the project?</p>

At the time of opening the Centre was run by the Community Association and planned to operate on a volunteering basis, whilst the reception area was intended to serve both users of the Centre and the Housing Association tenants. The Housing Association recognised that neither policy was sustainable (reception would require to prioritise Housing Association tenants ahead of Centre visitors; volunteering would be unsustainable in the long-term without support) so the Community Association and Housing Association agreed to set up a company to run the centre and to appoint staff. The company has 2 Housing Association directors and 2 Community Association directors and an independent Chair – expected normally to be a local councillor.

Securing sufficient income to meet costs has been, and remains challenging. Several of the rooms are under-used, and functions may be merged in future. The café is not contributing as much income as envisaged, although it is well-used.

Financial sustainability is a struggle, balancing a business model that generates sufficient income while not pricing the services out of reach of the local population which has 60-70% of households on housing benefit.

Have wider environmental or contextual factors influenced the project? If so, how?

Suggestion that other similar projects in the city have had much more generous financial settlement from the Council – projects have not been treated equally.

Prominent Community impacts:

- Contribution to pride in the area/attachment to it
- Supports people to develop skills and confidence through volunteering
- Offers training and learning, enhances employability
- Attracts people from out with the area for some activities
- Offers range of leisure activities not otherwise available locally.

What benefits and challenges are attributable to tenure option?

None was directly attributable

What are the project's future aspirations?

The company would like to identify projects that could be based in the Centre and that would provide needed social or economic services while contributing rental income to maintain the viability of the Centre as a whole.

Looking at the feasibility of setting up an after school care service

Other points of note:

- On the question of thriving / surviving / struggling: the current position is that it is surviving, even thriving, but that it is a struggle to sustain the necessary level of funding. Plans B and C are in hand in the event of a serious shortfall in income.
- The interview was with one of the 2 Housing Association directors (the director of Housing Association itself)

- Advice to others contemplating similar development: don't be naïve; don't underestimate the complexity of running and maintaining a large-scale facility; you need ideally an anchor organisation to provide back-up and support; go round everybody you can think of and listen and learn from them.

Project number: 4

Tenure: owned outright

Date project funding granted: 2010

Geography: Accessible Small Towns

SIMD decile: 8

Type of project (e.g. community building; amenity; energy project etc.): community building and grounds

Project objectives:

A brief description of the project and its main asset(s):

A community facility (community college) with a community garden, music rooms / recording studio, sensory rooms, landscaping services, soft play, a café.

Current staffing is the manager, a placement supervisor for alternative to school educational pathways, 2 staff in the café, a part time development worker and a part time garden assistant. Scottish government funding has been significant but expires at the end of March 2017.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

There was a need for more community spaces in the town. The Community Development Trust owns a building across the road from the project and is working in partnership with the Council to develop a community hub including a school, a surgery and after-school care – the existing building will be demolished and the site used for housing. The Association developed and owns the project described here.

What factors have supported the development project?

The current manager has been in post for approx. 3 months and was the interviewed respondent. The previous manager had been in post for 3.5 years, and there was an earlier manager. The respondent was not involved in the events leading up to the development of the initiative, and was not a local resident. Her understanding is that prior to the development the then community organisation split into two organisations – the 'Association' and the 'Trust'.

Attempts were made to respondent for an interview with previous staff. These were unsuccessful despite follow up calls and requests.

What factors have hindered or challenged the development of the project?

The present manager volunteered with the project for some time, before taking up the manager post. At present the project is not sufficiently well used, some weeks are very busy, others extremely quiet, but overall there has been a gradual decline in use. There is a suggestion that some people in the community may have distanced themselves from the project – possibly local

politics are behind this. Many churchgoers used the centre a lot in the past but most no longer attend. Similarly there were in the past between 30 and 40 volunteers, now only 5.

The music space is used once a week, and kids parties are regular. Office space was in the past rented out to a social care charity but is not unlet. There are ideas to provide a hot-desking service to local organisations but the future is uncertain.

Have wider environmental or contextual factors influenced the project? If so, how?

Not known, see above

Prominent Community impacts:

It is potentially an important and valuable project in the community, providing a safe space, the school project, vegetable growing, affordability and the other opportunities.

What benefits and challenges are attributable to tenure option?

Not known, see above

What are the project's future aspirations?

With a relatively new manager in post there are opportunities to turn-round the centre and to understand the community politics and how they can be changed to the benefit of project use. There are plans to take forward promotion and public relations.

The manager discovered a number of organisational and administrative problems on starting in the post and has spent most of the time sorting out payroll, dealing with filing and records, trying to access the website, etc.

She now plans to work with the Board to review who we are, why are we here, and what should we do, to take forward the prospects for the project. It is seen as a bit of a make or break exercise. A 'how good is your organisation' exercise was carried out and revealed a wide range of views about the project, its role and its effectiveness. A lot of change management needs to take place, and negative perceptions have to be addressed. The needs of the community have to be understood and this has to be the starting point for change and development, the way that the downward spiral can be made to spiral back up.

Other points of note:

Project number: 5

Tenure: Lease

Date project funding granted: 2015

Geography: Remote Rural

SIMD decile: 6th

Type of project (e.g. community building; amenity; energy project etc.): General community use building including café, community and arts spaces.

Project objectives: The objectives of the project are to provide a focus for community life and activities. The objectives of the organisation are to promote a small island as viable and attractive place to live, grow the economy, develop activities and strengthen community bonds.

A brief description of the project and its main asset(s): A recently closed school which has been transformed into a community hub with café, community office, arts spaces and recently a 'good as new' shop.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

The project began in 2014 when the local authority closed the local primary school. At the same time the local hotel which had a restaurant and bar also closed. This left the community with a lack of mutual meeting points. There was a concern that community bonds would be undermined by lack of opportunities to meet informally, and the lack of common focal points. Previously the island community had become relatively dependent for amenities on the nearest local town. This meant that there are very few amenities (e.g. health, social, sport) on the island. This wasn't previously a problem, but ever increasing ferry fares had made this increasingly difficult to sustain.

A 'development association', supported by the community council was formed to keep the school building in use. The Local Authority agreed to lease the building to the community organisation who, in 2015, became a 'development company' limited by guarantee with 7 directors.

2016-2017 was the first full year of operation following an agreement of a 5 year lease, and funding support has been received from several sources including the local authority, community council, Climate Challenge Fund, Big Lottery Fund and Highlands and Islands Enterprise. A part-time development officer has been appointed recently to support the work of the project.

What factors have supported the development project?

Dedicated community members and volunteers

The project is underpinned by the commitment, enthusiasm and energy of a group of volunteers. A relatively small group of people have dedicated the equivalent of 'full-time' working hours in making it a successful endeavour. However, as described below, this required level of commitment is a challenge.

Supportive Local Authority

The local authority has been supportive of the project. The closeness of the community extends

to local authority officers. They are keen for the project to succeed and have been understanding in terms of lease arrangements and funding.

Helpful support from agencies and organisations

Useful support with regards to developing the project has been received from Highlands and Islands Enterprise and Development Trusts Association Scotland.

Effective consultation and increasing local recognition

Consultation was carried out with the wider community to understand needs and aspirations. There is also a feeling that as people become more familiar with the project, they are increasingly positive about the endeavour.

What factors have hindered or challenged the development of the project?

Dedicated - but overburdened - community members and volunteers

Whilst there has been a great deal of commitment and enthusiasm for the project, some volunteers are overburdened. All of the management committee are of working age and have other employment commitments. Cash flow problems (see below) exposed individuals financial risk

Cash flow

The lack of reserve funds due to the newness and scale of the project, and 'in arrears' grant funding meant that individuals made purchases on their personal credit cards and claimed back from receipts. However, this was the only way to purchase IT and catering equipment for the new community office and community café.

Challenge of becoming an employer

The project employs three people on a temporary part-time basis. Whilst necessary for growing the organisation this has increased the administrative burden. In practice, this means the development officer has had to implement pay-roll systems and other administrative roles rather than undertake community development activity to the extent desired in order to take the pressure off of volunteers.

Letting space to statutory partners

One statutory partner has expressed interest in letting space in the building – however, 15 months later, for reasons of bureaucracy, this is still being considered. This rental income has the potential to provide much needed project revenue.

Have wider environmental or contextual factors influenced the project? If so, how?

The closure of a local school was a spur to the development of the project. In addition, increases in transport costs have altered previously stable and sustainable patterns of social, economic and community life.

Prominent Community impacts:

The project is still in its early stages. However, there has been increasing interest from local artists in the spaces available and there is a feeling that a 'buzz' and a ripple effect has been created by this project.

What benefits and challenges are attributable to tenure option?

Ownership has been discussed but deemed not a priority at the moment. The Local Authority wish to retain the building in case they wish to use it again as a school.

Ownership is something they have begun to think about in the last 9 months. The adjacent building, the 'Old' School' which was in private ownership came on the market, and ownership was considered but not pursued.

It was also felt that the focus and priority was developing stability, sustainability and meeting community need in the short to medium term.

One successfully funded project was altered slightly at the planning as the proposed activity was to take place on land not owned by the organisation. However, this had little impact on the overall success of the project.

On one occasion, a small aspect of a project was not funded as it was intended to take place on land not owned by the organisation. However, this was a minor aspect of the project.

What are the project's future aspirations?

Overall, the future outlook seemed positive. In the short term, further developing the community project is a key priority. There are also number of vacant buildings on the island which might be put to community purposes.

However, concerns were expressed about the continued reliance on a small number of volunteers for the sustainability of this (and other) projects. Experiences of nearby communities suggested that community development activity was contingent upon very small numbers of individuals, the loss of whom caused serious declines in community vitality.

Other points of note

Prior to the school project the community was consulted on a 'community action plan'. A plan was developed, however taking on the school building has been a more pressing priority.

Project number: 6
Tenure: Own equipment, lease land
Date project funding granted: 2014
Geography: Remote rural
SIMD decile: 6 th
Type of project (e.g. community building; amenity; energy project etc.): Community Energy Project
Project objectives: Use renewable energy to generate community funds.
A brief description of the project and its main asset(s): The project's main asset is a wind turbine which generates funding for local community organisations of around £60k per year.
The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?
<p>The organisation was established 12 years ago (2005) and emerged from the relics of a previous development company operational in the 1990s which was sent up to organise island-wide projects. However, after the failure of a couple of projects the organisation folded.</p> <p>The current organisation began by delivering carbon saving activity supported (£800k) by the Climate Challenge Fund which involved carbon saving in domestic and community properties. At the same time, the organisation began investigating the possibilities of marine and onshore wind energy generation for community benefit. Based on community consultation, energy efficiency and fuel poverty reduction were identified by the community. In addition, in recent years the community has found itself cut-off from the electricity grid and having to rely on generators – increasing the community's focus on energy provision.</p> <p>Whilst marine tidal energy supply was and still is of interest to the organisation, a project to develop an onshore wind turbine was launched. 8 years ago (2009), the search for a site began and 4 years ago (2013) a suitable site was identified. The total cost of the project was £1.2m, of which: Circa £500k was raised from a community share issue; £200k from Big Lottery Fund; and the balance from the Scottish Investment Bank. In addition, £100k was accessed from Community Energy Scotland for feasibility work, which is repaid if projects are successful.</p>
What factors have supported the development project?
<p>Strong community buy-in and broad-based interest</p> <p>The project was rooted in community interest as identified by consultation work. The organisation has a membership scheme whereby 10% of the local community are members. This commitment was reinforced by the share issue which allowed both the local population, and those from further afield, to support the project. Big Lottery Fund's contribution specified the need to engage consultants on how the community benefit funds should be focused.</p>
<p>Skills and capacities of the board and key staff</p> <p>Those responsible for leadership of the project were experienced and highly skilled professionals with knowledge about the wider energy industry and with technical expertise in terms of finance and project management. The tasks required to deliver the wind turbine project were numerous</p>

and extended beyond erecting the structure: they included developing access road, leasing land, and negotiating with those responsible for grid-infrastructure. The organisation were able to recruit the skills of a key individual who had expertise in energy infrastructure and technical aspects of the project.

Governance and clarity of focus

Strong governance was noted as an important factor. This was considered into two ways. Firstly as technical process in terms of financial management, appropriate structures, accountability and clear lines of decision making. For example, in practice, this means having one individual responsible for financial decision-making. Secondly, this was in terms of clarity of focus: the organisation began with very clear goals in mind, and has (and continues) to pursue these goals through multiple means. Whilst not all considered projects have proven immediately feasible, the on-shore wind project has. Meanwhile, other options are still being developed around the theme of renewable, clean and affordable energy.

Strong contingency measures and stable price structure

The generating equipment is guaranteed, maintenance contracts arranged, insurance in place and electricity prices largely guaranteed for the life of the project. This subsequently reduces risk. The project was very confident of future viability to the extent that only the wind ceasing was considered an insurmountable problem.

What factors have hindered or challenged the development of the project?

Loan interest

The loan from the Scottish Investment Bank has a high rate of interest at 8%. This is higher than ideal and ultimately represents expensive finance which detracts from ability to offer community benefit.

Local geography

The local geography and wildlife made finding the ideal site for a wind turbine challenging. It took 4 years to find a suitable location.

Planning system and public agencies

The procedural and bureaucratic challenges of the planning system – especially in an area rich in wildlife - combined with the pace of decision making in public agencies meant that progress took longer than anticipated.

Due diligence legal fees

Legal fees for due diligence were also felt to be excessive: £50k on £700k investment. However, there was little the project could do to challenge or reduce this.

Lease of land

The land on which the turbine sits is owned by a public body. Arranging the lease of the land to site the turbine took much longer than anticipated. In addition, it was hoped that the lease fee would be spent in the community – however for organisational reasons this has not been possible.

Access costs

Access to the suitable site required crossing private land – the fee for which, whilst relatively modest, needed to be negotiated with the landowner.

Have wider environmental or contextual factors influenced the project? If so, how?

Challenges of other infrastructure

Connecting the turbine to the Scotland wide grid required upgrading of power transmission infrastructure. The project were required to meet a share of these costs (for which grant funding was received).

Unevenness of local capacity

Whilst the project and organisation have proven very capable at delivering high-capital projects, and have created the legal structure to disburse community funds, not all local community organisations have this capacity and structure. A grants officer has been appointed to administer these funds and develop applications with community groups.

A favourable energy market regime

The project was able to capitalise on favourable energy market structure whereby ~£50k p/a can be generated from wholesale to the grid and ~£200k p/a is received from the feed-in-tariff which is guaranteed for 20 years. This income provides the basis on which community benefit funds are derived. As this policy mechanism has been downgraded, a similar project would be harder to make viable.

Prominent Community impacts:

- The project has recently announced the first tranche of community funding worth £60k. It is anticipated that this level of community investment will continue for the life (20 years) of the project. The local landscape of community and voluntary organisations features many small organisations who might be able to make effective use of relatively small grants.
- In developing the project, the organisation carried out community consultation on local and community priorities.
- Around 10% of the community are members of the organisation.

What benefits and challenges are attributable to tenure option?

- Because the asset – the wind turbine and associated infrastructure - generates revenue, leasing would not offer the same return. The project would not be viable if the community body did not own the turbine.
- Tenure for other aspects of the project has been a small issue. As alluded to above, a land-owner levies and access charge and SNH charge a lease of ~£10k p/a to lease the site. The organisation note that it would be better to own this land to ensure greater community benefit.

What are the project's future aspirations?

- The project plan to investigate and possibly develop future renewable energy activity. If feasible, this would include wind and/or marine tidal energy.

Other points of note:

The respondent suggested that a similar project now would be harder to make economically viable due to reductions to feed-in tariff rates. A change in policy regime (e.g. exceptional funding and support to Highlands and Islands areas) would be required to successfully develop similar projects.

Project number: 7

Tenure: Own

Date project funding granted: 2012

Geography: Remote rural

SIMD decile: 7th

Type of project (e.g. community building; amenity; energy project etc.): Community building for arts, entertainment, recreation

Project objectives: Support access to cultural experiences; ensure culture is accessible to all; promote wider community involvement and activities

A brief description of the project and its main asset(s)

A centrally located cultural venue incorporating space for cultural activities, bar, and café.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

The project began from a group of individuals who had a passion for arts and culture in their area, but who felt there was insufficient provision in their village and wider region. In 2006, the group identified a local derelict building in a central location which had previously been used for arts and cultural activities. The building was dilapidated and owned by a developer who had decided not to proceed with conversion to residential properties.

Initially, the community body was focused on their particular cultural interests although they noted both the aesthetic problems of the building and the possibility to deliver wider community benefit.

Other sites for a new build were considered. Although these may have been cheaper there were a number of pull factors associated with the derelict building:

- It had become an eyesore in a central location, damaging tourism.
- It had become a magnet for vandalism
- There was a strong emotional pull of the older building in terms of community identity and memory.

By 2009, feasibility studies had been carried out with support from the private donors and the Local Authority in terms of both redeveloping the building and the wider project. Funds were raised (£1.3m) from the Scottish Government and Big Lottery Fund.

The project opened in April 2013 after a relatively straightforward build.

What factors have supported the development project?

Feasibility studies

The project was able to effectively leverage support during the feasibility study stage of planning. Contact was made with a reputable independent expert and local architect to understand potential use and architectural viability of the project. Financial support was provided by the community council and wealthy individuals. Although there were subsequent challenges associated with the initial proposals, the feasibility studies were sufficient to progress the project.

Wealthy individual donors

Early stages of the building development were supported by wealthy private donors. This funding helped early stages of development.

'Turn-key' development

The 'turn-key' (i.e. the whole project including fit, finish, fixtures, technology installation was managed by the contractor) nature of the build meant that the board's lack of construction management experience was less of an issue. In addition, challenges over procuring the technical equipment was dealt with quickly by the contractor.

Revenue Support Funding, and other organisational support

The Big Lottery recommended the provision of 'revenue support' funding. This funding provided tapering revenue support of £70, 45, 30, 10k p/a which provided a cushion against a loss making project. Without this support, the project would likely have folded. Although the taper was steep, the upside of this arrangement was that it provided a strong impetus to improve and refine the business operation. In addition support from organisations such as SCVO was highlighted as useful.

Evolving skills of the project board

Initially, the project was driven by a small group of people who had a passion for arts and culture which they wanted to share with the wider community. This commitment and drive was important to the genesis of the project. As the complexity of the project increased, new and different 'technical skills' were needed – for example accountancy, business, project management skills and personnel development (most recently). The village and surrounding areas demographic composition (and of course the project itself) hosted a pool of highly skilled and experienced retired and semi-retired professionals from which to draw upon. As a result, although not necessarily easy to attract the right people to the board (e.g. some could not offer the commitment required) over the longer term, it has been possible to attract strong contributors. In addition, only those fully retired or working part-time could realistically offer the time required.

'Live Event Cinema'

Advances in technology have led to an increase in the local broadcast of 'live events'. In practice, this means that world-class cultural performance can be accessed locally. Not only are these events popular but a reasonable premium can be charged whilst also contributing to social objectives and cultural access.

Increase in community activities

The project has delivered an increasingly large portfolio of community related activity. The employment of a community development officer has increased the community-offer. This role develops new activities and related funding applications which also support the post itself. These activities target specific needs and issues, and have improved the 'family friendly' perception of the project.

Constant innovation

The challenges described below, combined with the capacity of management staff, and the revenue and support described above, meant that ongoing adaption, innovation and prototyping of new ideas was an ongoing process. This approach, although involving difficult decisions at times, led to more effective business management, the development of new activities and

revenues (e.g. community activities as above).

Better targeting of events and activities

As the project has evolved, the cultural offer has changed in response to market conditions (see below) and community demand. Increasingly, the offer has focused on children, families and female audiences – all of whom were previously underserved by existing public, private and community amenities.

What factors have hindered or challenged the development of the project?

Business planning and loss making commercial activities

The initial business plan was based on initial projections regarding pricing of other cultural products, the notion of a 'destination' venue offering restaurant food, drinks and culture, and estimated footfall. However, these projections were challenging to realise (for reasons detailed below). The result of these challenges were operating losses underwritten by Big Lottery's revenue support grant (see above). In response, the restaurant operation was closed in 2015.

Challenges of operating in a competitive market dominated by large players

The necessary costs associated with running the project were higher than anticipated. For instance, on an £8 ticket, overhead costs could be as much as £6.40, with additional restrictive terms attached for high-profile offerings. Overall charges were anticipated to be around 42% (2009) of revenue, however, now they are closer to 50%. Larger commercial players are able to operate on these margins, however, this situation was much more challenging for small operators. This has been remedied by better procurement and targeting specific audiences – especially families and young people.

Recruitment and retention of staff

Recruitment, retention and rota-control of staff has been a persistent challenge. Attracting multi-skilled individuals (i.e. with knowledge of cultural markets, venue, and hospitality management) was difficult due to the rural location, relatively high housing prices, need to own a car and wages on offer. Initially, and especially whilst the restaurant was operating, it was difficult to attract the ideal candidate who could perform across these areas. Moreover, there were acute skills challenges – for example the difficulty in affording a fully trained head chef. As a result of this turn-over of key staff was high, especially in the first three years. Staffing has been reduced over the period of the project. From 3 full time and 15 part time initially to 3 full time and 6 part time now (see also below). The instability and head-count reduction negatively impacted on staff morale.

These factors were compounded and exacerbated by the seasonal nature of demand for the project's main activities. April, May and June are particularly low-season. As a charitable organisation with social and cultural rather than commercial objectives, it's unethical to offer zero-hours and short-term contracts which private firms often use to manage seasonality.

Have wider environmental or contextual factors influenced the project? If so, how?

The wider environment has impacted the project as follow:

- As described above, having to engage in a competitive market place orientated towards

large commercial projects is challenging.

- Whilst the areas demographic make-up provides the existence of highly skilled, high capacity, and often retired professionals for the management committee (and patrons with disposable income) it can be difficult to attract skilled working age people to what are traditionally relatively less-well paid jobs. The rurality of the area compounds both of these issues.
- Technological advances have enabled the project to offer more diverse offerings – most notably Live Events.

Prominent Community impacts:

The project identified a number of benefits for the community:

- Greater access to varied cultural products and experiences – from mass market films to music, theatre and world-class 'live events'.
- Improved aesthetic appeal of the village.
- Local business have benefited from the increased evening footfall. For instance (and although not solely attributable to the project), local pubs have started selling food since the project opened.
- An enhanced evening and cultural offer: prior to the project, evening recreation in the village was dominated by what be considered traditionally male-orientated pubs and bars. However, the cinema's focus on young people, family, 'silver' and female offerings has changed this.
- Increasingly strong focused on community activities – both targeted work with particular groups (e.g. young people, families, children with developmental disabilities) and social and recreational activities (e.g. folk music sessions, film and book discussions).
- The project as community membership scheme which raises revenue and offers the community and opportunity to contribute to the project.

What benefits and challenges are attributable to tenure option?

Main factors related to tenure, in this case ownership were:

- Location and condition: the building was in a central location, was fundamentally attractive, but had become run down and vandalised. For reasons of community pride and tourism, there was an imperative to renovate the building.
- Emotional attachment: the building had been used for entertainment activities for many decades and had an important place in the community's collective memory.
- Owners' willingness to sell: the previous owner, a developer, was willing to sell the building as it was not viable to redevelop as intended (residential property). The developer was not interested in a leasing arrangement.
- The lack of rental charges resulted in a stronger short-term and long-term viability for the enterprise

- The building is a substantial asset on the balance sheet has encouraged suppliers to trade with the project on favourable terms, and without personal guarantees
- The project retains control of the use of the building by setting out specific terms in leases.

These factors combined to make ownership of this particular asset the only viable course of action. The respondent stated explicitly that no other option would have been viable. This approach supported as described above from grant funding available for community ownership projects.

What are the project's future aspirations?

Overall, the project is optimistic about the future, having emerged from a steep learning curve. The previous learning with regard to cultural local cultural preferences and community offer will be capitalised on. The projects future aspirations include:

- Reaching 'break-even' as the revenue support reduces.
- Continue to develop the community and social offer.
- Where appropriate, move away from 'free' grant funded activity to more mixed funding.

Other points of note

Project number: 8
Tenure: Own
Date project funding granted: 2014
Geography: Accessible rural
SIMD decile: 8 th
Type of project (e.g. community building; amenity; energy project etc.): Community environmental project.
Project objectives: Connect community to environment, promote learning and engagement with environment, especially those in disadvantaged circumstances.
A brief description of the project and its main asset(s): The project's main asset is the land on which the project is cited – which provides the basis for subsequent actives, and a modern, purpose built, multi-function facility which houses event space, catering kitchen, amenities etc.
The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project? The project, in its current form, emerged from a decision to lease land and farm buildings in 1999 on a 15 year lease from a private landowner. The farm building provided a base for operations, and the land was used for environmental and conversations activities with and for the community. Whilst initially a positive experience, by the early 2000s the relationship between the parties turned sour: during 2002-2003 the landlords attempted to evict the project from the land. Although unsuccessful, it became clear to the organisation that current arrangements were unsustainable. Moreover, the landowners' ambitions for the site (improvement of the landowner's assets) not did align with the organisation or project's ambitions (extension and development of activity). Following this episode, a public meeting was held, from which a steering group was formed to set up a community body under the new Community Right to Buy legislation through which to Register an Interest in land neighbouring the farm site.
An adjacent site was identified which was owned by an overseas-registered (Northern Irish based) development company, who were planning to develop housing on the site. Under the Land Reform (2003) Act, the organisation (The Land Association) registered an interest in the land. The development company were surprised by this, being unaware of the legislation in Scotland. By 2009, an in-principle agreement to lease the land had been reached, an architect engaged, a portion of the funding secured (from Big Lottery) and a development manager appointed. However, things became more challenging once it became time to formalise the lease with the development company: A 99 year lease, which had conditions attached, and did not have the advantages associated with outright ownership. By 2011 a final agreement had not been reached – meaning that Big Lottery were recalling the grant due to it not being spent in the required time. Match funding has also been difficult to secure because of the lack of formal lease. Following negotiation with Big Lottery, The organisation retained some of the funding to recruit a project manager. In 2013, having had consistent difficulties making contact with the development company, it emerged they had gone into liquidation. Contact was made with the administrators. The organisation had begun looking at alternative sites.. Various other places throughout the region

(some at considerable distance) were considered.

By this point, the lease on the original farm was very close to running down. Renewal was neither possible nor desirable. However, in 2014 the desired land was purchased from the Administrators by the organisation. This purchases satisfied the GCA conditions at-the-time with regard to ownership of the land. Building started and was completed in 2015.

What factors have supported the development project?

Dedication and perseverance of management committee and staff

From realising that the original farm site was not an option for development until completing the new build, more than a decade elapsed, requiring considerable strength of will and commitment to the project. Throughout there was clarity about the project's ultimate objectives. In addition, the adverse circumstance galvanised and focused the efforts of the board.

Recruitment of experienced and capable project manager

Recruiting a highly skilled professional development and project manager was recognised as being of significant importance. The individual possessed skills in working with design teams, contractors and lawyers. The individual's personal circumstances were important: they had reached a stage in their career where salary was not an over-riding concern.

Wider legislative environment

The ability to register a community interest in the desired land (and eventual site) was vital. Although it was never fully utilised, it placed the organisation on the front foot with regard to negotiations with the land owners, which they were able to capitalise on when the land became available.

Developed organisational infrastructure

The organisation was throughout strongly rooted in the wider local community. Most of those involved were local, coming from a radius of around 10 miles – this was important, as it anchored the project in its locality.

Support from other organisations

Helpful support been received from Big Lottery Fund in the form of two business consultants, 'Just Enterprise' and the 'Social Enterprise Academy'. The project also receives tapering revenue support which allows the project to make a gradual transition to greater revenue generation.

What factors have hindered or challenged the development of the project?

Fatigue and persistent negativity

As noted above, perseverance was a key success factor. However, at times the project was 'pulled side to side'. Much time and energy was wasted wrangling with landlords rather than developing the project.

Challenges related to ownership

Ownership – both in its initial form (leased) and in the negotiations with the development company were extremely challenging. Securing suitable, viable and sustainable tenure became a key priority and consumed much energy. Often, the particular form of tenure influences what

could and could not be done on a given site, impacting on what might be provided to the community (e.g. landowners place conditions on activities and requested a share of revenues; landowners not responsive to funding deadlines).

Tightening requirements for funding

Whilst negotiating and engaging with the development company, GCA's criteria increased its emphasis on ownership, rendering the previously notionally agreed leasing arrangement of little value.

Have wider environmental or contextual factors influenced the project? If so, how?

Wider legislative context

The wider legislative context – in particular the Land Reform Act, as noted above, was an important device in advancing the interests of the community organisation. This, and the wide availability of support and funding for community control created an enabling environment.

Wider economic situation

If the policy and legislative context has been increasingly favourable, the economic situation of the early 2000s was anything but. The development company effectively 'banked' large tracts of land without carrying out due diligence, with borrowed money. Although in the long run, this held the land which the community was able to ultimately take control of in stasis, this benefit was incidental and only realised after the 2007-2008 financial crisis.

Prominent Community impacts:

Development of the project has:

- Increased the number, variety and options around activities available to the community.
- A greater diversity of people can engage with the organisation – younger people, children, people with dementia are now better able to access activities due to warm, comfortable indoor space. Although the focus is still on outdoor activities, practically this is not always possible.
- Because of the improved facilities, and greater reach, a more diverse range of fundable projects can be devised.
- Events which generate revenue can now be held on the premises due to improved facilities – this was not possible before.
- The greater positivity around the project makes it easier to attract skilled staff and board members.
- Remaining in the same area means volunteers and community connection has been maintained – this would not have been the case of the project and organisation had moved elsewhere in the region.

What benefits and challenges are attributable to tenure option?

The project's negative experiences of leasing were multiple:

- Differences of emphasis, unravelling relationships, relatively short tenures and eviction

attempts from the original landlord not only undermined confidence – they reduced the capacity of what might be achieved for both the organisation and the wider community.

- Negotiations with the development company were protracted. The initially agreed lease had conditions including revenue sharing – and it ultimately collapsed when the company went into administration.
- The ultimate outcome - ownership – has allowed the project to progress and focus on delivering its outcomes.

Overall, the period where the project did not own the land and physical assets put the organisation and project at the 'wrong end' of a power dynamic which severely hampered their actions.

What are the project's future aspirations?

The project is optimistic about the future, although there is much work ongoing.

- It was initially hoped that after the previous years of struggle, the workload would subside. However (and without sense of unhappiness), new work has been generated.
- There is greater need to market and promote project to help generate revenue to this end a new post has been created in fundraising and marketing.
- Bringing in income of both grant and enterprise varieties are key priorities.

Other points of note

The notion of sustainability was highlighted as follows:

- It's not always clear what this means with regard to a balance between grant funding and generated revenue.
- There was a feeling that because of the nature of the project's activities, grant funding will always be needed to some extent.

Project number: 9

Tenure: Leasing with a view to owning

Date project funding granted: Scottish Land Fund stage 1 approved in 2016

Geography: Rural

SIMD decile: 4th

Type of project (e.g. community building; amenity; energy project etc.): Community building

Project objectives: To create a modest, functional, multi-purpose community building where people can access services locally.

A brief description of the project and its main asset(s): The Community Centre in the village was taken over as a leased asset from the local Council. It now includes the Post Office which was saved from closure and brought into the Community Centre. A retail element has been added to increase viability.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project? The Local Neighbourhood House has grown over the years in response to community need and has developed a range of services for all ages, including youth activities, a senior care project, a community transport project, etc. It started in, and continues to operate from a two-roomed cottage but it has outgrown the facility and has become stifled by the lack of space for more activities. The existing facility has only one hall and nowhere for training, meetings, etc.

The neighbourhood house management group took over the lease of the Community Centre from the Council in 2014 on a month by month basis. This is seen as reclaiming the facility for the community; it belonged to the community at the time it was originally built as part of the Urban Regeneration Scheme. This allowed the neighbourhood house management group to expand its range of services and activities.

In 2014 the Post Office in the village was threatened with closure, which would have had a negative impact, economically and socially, on the local community, particularly the elderly and more vulnerable members of that community. The decision was taken to save the Post Office by bringing the service into the Community Centre. This not only retained the service locally, it also made it more accessible by increasing the opening hours to match those of the Community Centre. A retail element was attached to add to the services available and to generate income.

There was clear desire and demand for drop-in space for the community, somewhere to pop in for a coffee and a chat, and communal space to wait while children attend activities and classes. 250+ young people from the local community take part in youth activities every week.

Community consultation backed this up and identified gaps in local services, especially activities for those in the 20-60 age bracket; more training and confidence building programmes; and the need for more space to give the capacity to deliver more services.

The group worked with the Coalfields Regeneration Trust under its Community Growth programme to develop a 5-year Action Plan that focussed on the Centre as more than just a building: it is all about bringing people in and providing services locally in response to their needs.

Leasing the building from the Council was an interim stage which allowed them to show that it can manage this facility, as well as the Neighbourhood House. It has proved that it can do so. The next stage is to take ownership of the facility by purchasing it from the Council, who are willing to sell at a price yet to be agreed.

A stage 1 application submitted to the Scottish Land Fund has been successful. This will move the purchase process forward. The group has been chosen by the Council as one of three community asset transfer pilot projects as part of its Asset Transfer Policy development. It is the furthest along the line and is likely to be the first of these to come to fruition.

The group is in the process of securing a full survey and independent valuation of the building. This will be the basis for further negotiation on the purchase price. Fundraising will be required to cover the balance of the purchase price and the capital redevelopment of the building.

Once ownership is secured, the aim is to redevelop the building on a realistic scale. The people of the village feel they deserve a modern, multi-functional facility that will lend itself to a range of different activities but it does not have to be all singing, all dancing. It might be a major refurbishment or demolition and construction of a new building on the site; the next phase of the technical work will lay out costed options. The plans will include energy saving measures and features to minimise running costs in the long term; this will have environmental benefits, as well as contributing to financial sustainability.

What factors have supported the development project?

Strong community support

There is a strong community spirit in the village. Both the Neighbourhood House and the Community Centre have been and remain at the heart of the community. People of all ages come in to access services and are good at sharing ideas for activities and services that would benefit the community. They are keen to see the Community Centre back in the hands of local people.

Long experience and good track record

The organisation has been in existence since 2000 with a good track record which stands it in good stead for developing new services and taking ownership of the new facility. Leasing the Community Centre has proved that it can run the facility successfully. The neighbourhood House management group has also proved to funders and the community that they can deliver services and projects.

Securing external support

It knows how to access and secure support from organisations like Development Trust Association Scotland (DTAS) which has been a great help with the asset transfer process.

The Board

The Board has learned and developed with the organisation. It is now much more hands on and supportive of staff. The Board is rooted in the community and knows what is at its heart; this community need is central to Board decisions.

Willingness to grow

Both the Board and the organisation have had to grow and develop to get to this stage. The alternative would have been stagnation.

What factors have hindered or challenged the development of the project?

Policy development process

Although support from Council officers has been good, progress on the Asset Transfer Policy has been slow as the Council is waiting until Government policy under the new legislation is fully in place.

Getting a valuation

It has been difficult to get a likely purchase price, or even agree a basis for valuation (empty; in its current condition; or full commercial value). Part of the stage 1 funding from the Scottish Land Fund will pay for an independent survey and valuation of the building.

Land ownership

Establishing land ownership has been one of the most frustrating issues for the project. The Council cannot determine who owns the land around the building, despite best efforts. It has been a long process with a lot of time spent waiting for responses from various Council departments. This lack of success means that the asset transfer will be of the building within its existing footprint only and will not include the surrounding area, as GNH had hoped. They will continue to pursue the acquisition of the surrounding land as a separate issue at a later date.

Funding

Securing funding to purchase the Community Centre is a time-consuming challenge, especially for an established project that has tapped into most available funding sources over the years.

Securing funding for its redevelopment will be more of a challenge, which is why the plans must be kept realistic and fundable.

Board continuity

GNH has built up a good solid Board but lost four members (two older directors through ill health; one as result of increased caring duties and one who now works away from home). This was a challenge but has turned into a positive with the introduction of new blood and fresh ideas.

Have wider environmental or contextual factors influenced the project? If so, how?

The project and organisation are driven from the ground up and totally influenced by local community needs. They are not politically influenced but take advantage of policies and political support that helps to achieve objectives.

The Asset Transfer policy

The group has been chosen by the Council as one of three community asset transfer pilot projects as part of its Asset Transfer Policy development. As such, GNH has benefitted from support from Council officers but been frustrated by the bureaucracy and slow rate of progress.

Wider economic situation

The threatened closure of the Post Office and the negative impact this has had on the village spurred GNH on to take action to retain the Post Office and integrate it into the other services in the Community Centre.

House building

The village is expanding in response to the need for additional housing. This will result in 1,040 new homes, 750 in a development opposite the Community Centre. This presents both the benefit of new people with fresh outlooks and ideas and the challenge of integrating so many newcomers into the local community.

Environmental policies and green space development

The village is the eastern hub on much wider environmental project which will see a massive investment in a huge area of green space and wetlands across north of the local authority area and into Glasgow. This development aims to encourage people to get out and get more active to improve health and wellbeing and learn more about the countryside. It will also attract visitors to the area, providing economic benefit, including income generation opportunities for the Community Centre, which is a key partner in the project.

Prominent Community impacts:

Since the group took over the Community Centre, the community has benefitted from:

- Improved service provision - The community centre was only open for 28 hours/week when they took it over in March 2014. It is now open until 8 pm in the evenings, and open at weekends.
- Greater community cohesion through more activities at the Community Centre
- More community engagement – More local people are coming through the doors to access the increased range of community activities for all ages.
- Reduced isolation through creating more opportunities for taking part in community activities and for volunteering.
- Inclusivity – The range of activities has been designed to draw in different elements of the community, including people from the new housing developments to help them integrate and become part of the local community.
- The Post Office has been saved as a vital community resource, especially for older people who are less able to travel elsewhere. People are also being encouraged to use it as a bank. It has also given access to a local cash machine.

This group have benefitted and become a stronger community organisation as a result of taking over the Community Centre. It has gained:

- Sustainability – The commission from the Post Office and the retail element wrapped round the Community Centre are contributing to the facility's sustainability by covering a full-time salary.
- New skills – They have had to learn about site investigation, geo technics, geo environmental factors, etc.

What benefits and challenges are attributable to tenure option?

Leasing

Continuing to lease is not an option with the current funding situation. Leasing, especially on a month-by-month basis also makes the group politically vulnerable and there is always the fear that the rug will be pulled from under their feet.

Benefits of ownership

Ownership will free the group from Council restrictions and give them options to do more:

- Alter the building to make it more suitable for community use
- Secure an alcohol licence for functions and parties. This makes it an attractive option in a village with a very limited choice of function venues. It will also help to generate income that will contribute to sustainability.

The building will belong to the community who will take ownership and drive it forward and decide what happens in it. Ownership will put the community back in control.

The Board feels that the time is now right to take ownership. The road is going in for the new housing in the village and the wider environmental project has secured funding to move it forward so the future for the village feels positive. The community shares this positivity.

Loan finance

In the past, the Board would never have considered loan finance as an option. I would have been an absolute “No, No” because of the fear of taking on debt. Now, knowing that it can generate income in the future, it could be discussed as an option. The intention is to try to secure 100% grant funding to purchase and upgrade the Community Centre but loan finance might be an option to plug a small funding gap, but only if absolutely necessary.

What are the project's future aspirations?

The main aim is to take ownership of, improve and continue to run the building for the benefit of the community, keeping services affordable and open to all, but generating enough income to ensure that it is a sustainable facility for the next generation. It has to remain responsive to community need so that local people can ask for what they need to allow them to stay and enjoy life within the community.

Partnership working is really important, both as a way of increasing capacity to deliver more services locally and as a way of learning from one another. Statutory partnerships are useful but it is important to maintain independence and not be stifled or forced down wrong routes. Working with other voluntary groups can create a stronger voice and ensure that it gets heard beyond the village.

Other future aspirations will come from the community, as they have in the past 17 years. “*When we started in 2000, we never foresaw that we would do this*”

Other points of note

Advice for other similar projects:

- Listen to the local community. This will keep your feet on the ground and help you not to lose sight of what you started out to do.
- Start small and let it grow.
- Never give up. It all takes time and you have to be realistic and persevere.
- Recognise that it is not all going to be plain sailing. You are going to face challenges so you need to be strong as an organisation and face up to them.
- Reach out when you need help. Develop strong partnerships and good relations with the community so that you can support and learn from one another.

Project number: 10

Tenure: Building owned by the project; ground held on long lease

Date project funding granted: 2011

Geography: Remote small town

Type of project (e.g. community building; amenity; energy project etc.): Community building

Project objectives:

- To provide space for the community
- To be a one stop shop, bringing a range of services under one roof
- To bring people together socially and reduce isolation
- To provide training locally
- To develop employability skills
- To create local jobs, directly, and by using local suppliers to sustain local businesses
- To offer flexible childcare options, from ad hoc to wraparound
- To encourage community-led regeneration
- To seize opportunities to deliver services identified by the community as missing and needed e.g. care at home, housing support, etc.
- To operate in a financially sustainable way

A brief description of the project and its main asset(s): New two-storey community hub, built on an area of privately owned, vacant waste ground.

The ground floor houses:

- the reception and café
- childcare space, offering crèche, After School Clubs, holiday clubs
- the only soft play area north of Inverness
- a multi-function hall used for a variety of events, performances, tea dances, film showings, functions, wakes and activities. It is equipped with a sound system and retractable seating. It is double height to accommodate sports like badminton. When not in use, they put in bouncy castles, toys and activity tables for use by families through the day.
- the youth corridor with multi-purpose space for activities and hang out space with TV, X-box, pool table and darts. This is used by young people and the Men's Shed and is also rented out sometimes to external organisations like Children First.

The upper floor has:

- a large function room for training and networking events
- 2 training suites fully equipped with Smart boards and IT, used by the group and hired out
- a training kitchen, used by the group for cookery classes and hired out
- a band practice room, equipped with instruments, hired out for jam sessions, etc.
- a large open plan office for staff
- small meeting rooms for hire
- small office spaces, one used by the group, the others rented to a number of organisations and agencies like Skills Development Scotland, a local Housing Association, etc.

There is only a small amount of external space – parking at the front; a small secure outdoor play area for the childcare services; a service area and space for the biomass boiler at the back.

Other services, such as the Care at Home and housing support services are delivered out in the

community.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

A local CAB held a public meeting to discuss the levels of deprivation and social exclusion in the area, highlighted by a study report. This led to the formation of a Community Association Steering Group, which was constituted and became the local People's Project in 2003.

The group initially had 1.5 members of staff, delivering services that were community led and answering needs identified by the community itself – the need for childcare, After School and holiday clubs, and the opportunity for people to develop training and employability skills. They ran the After School Club at the local primary school and the rest of the services from home. Highland Council asked them to deliver housing support locally. The group was given a Council house in the community as a base and started to develop the training centre. By 2005 they were delivering a range of services from 5 Council houses, the local primary school and the high school. By now they recognised the need for their own facility. They always had an Action Plan which aimed at ensuring sustainability.

They secured funding for a feasibility study, community consultation and premises' options appraisal. They looked at potential buildings and sites and the option chosen was a new build on a vacant site, next to the local Distillery and owned by a private distilling company.

The piece of land was not being used and it was easy to get the company to agree to lease the land to the group. They granted a 50 year lease. Big Lottery Fund asked for an 80 year lease to meet their funding criteria. Agreement to extend the lease was forthcoming but legally it took time to make the change, which was eventually done by an “agreement in principle” rather than an alteration to the original lease agreement.

They then secured more funding for the technical planning and design phase (£300K - £200K from the Big Lottery Fund and £100K from elsewhere). This phase was difficult with plans altered three or four times during the process, which took time and added to the initial costs.

The building cost was £3.8m which came from 11 funders, with Big Lottery as a major part of that funding package.

The centre opened in February 2012 and the project has gone from strength to strength since then, delivering an increasing range of services for the local community.

What factors have supported the development project?

- Tremendous support from the community who were consulted at every stage. The group realised that there was no point in developing an all singing, all dancing centre if it wasn't what the community wanted or needed.
- Support from advisors with the right expertise, particularly at the project development and build phases was crucial as Board members did not have this expertise. A major local energy generator seconded people with project management expertise to the group; their expertise helped them to negotiate the many hurdles they faced getting the building designed and completed. One of the advisors served on the board for a time; the group now has other representatives from this organisation and associated companies on the

board.

- The distillery manager was very helpful with land and lease issues and the project in general.
- Speaking to other organisations who had already build their own facility was vital. The project listened and learned from them. In the very early stages staff visited the Bambury Centre in the East end of Glasgow and the concept grew from there but no one else had created a facility quite like the one the group envisaged; they feel that it would have been good to have that consultation opportunity and would recommend that other organisations planning a build do this if they can.
- Support from other local companies and organisations. A large public authority donated laptops and a shipping container to store the play equipment for the after school club.
- The group has always taken a business approach to running the facility, operating as a social enterprise right from the start. Activities were split into departments, each with its own budget and targets and each paying a fee to cover core/central costs. Having the centre has allowed them to expand its services and become more self-sustaining through tendering for contracts and service level agreements.
- Responsiveness to the needs of the community and being innovative in meeting these needs means that the group recognises that a service may end but that another can be developed to take its place. Not having all its eggs in one basket ensures sustainability.

What factors have hindered or challenged the development of the project?

Project design

The group had original plans, done pro bono by a local architects firm. The work for the detailed designs and costed plans had to be put out to tender. Another company came in with a better Stage 1 tender, which they accepted reluctantly (this was a Big Lottery Fund condition). The relationship did not work well and the company put out the wrong sort of tender for the construction work. The group needed a Design and Build (Fixed Price) tender. The professional people seconded to support the Board noticed this and challenged the design company, employed to manage the process. This was rectified but meant going back to tenderers. At this stage the group went back to Big Lottery to discuss the situation and ask if they could appoint their own architects for Stage 2. This was agreed, which restored the groups confidence and allowed the project to move forward.

Technical land issues

Water for the distillery came from an underground lade, which ran under part of the groups site. This had to be located and diverted before construction work could start. They also had ground investigations done right at the start when the site was identified – thankfully there were no issues.

Funding

- Many of the funders would not consider applications or confirm funding until other funding was in place. This is where Big Lottery's early commitment to provide £1m of funding was invaluable.
- Developing good contacts and communicating with funders was crucial. Big Lottery contacts were very helpful with advice, as were ERDF. Some other funders (happily only a few) were less approachable and less flexible.
- Having 11 funders, with different criteria and reporting requirements was time consuming to manage and administer, even for an organisation who had staff with the right skills who

were able to create the monitoring systems needed. Good systems are essential to keep track of and report on eligible and ineligible costs.

- Although staff were helpful and accommodating, ERDF funding was hugely bureaucratic. They could not approve funding until all of the rest of the funding package was in place.

Financial forecasting

Initially this was a challenge as the group had no idea what the running costs would be for a new facility – utilities, service charges for air con, lifts, etc. They had no similar facility to compare it with, bearing in mind additional costs of service engineers coming from Inverness. Some guidance or benchmark costs would have been helpful.

Legal fees

Although they had a contingency within the budget to cover the legal fees incurred in obtaining and amending the lease and the loan ranking agreements, the issue for them was the time some of the legal processes took.

Have wider environmental or contextual factors influenced the project? If so, how?

Council priorities in terms of deprivation

Council decisions to concentrate spend in the deprived areas of a nearby town, rather than in area where the project operated left local people feeling ignored but it acted as the catalyst for the project. They realised that change would not happen unless they took responsibility and did it for themselves.

Tendering

Tendering has opened up opportunities for PPP. Community benefit clauses are built into tenders put out by the major local energy provider; successful firms have to provide some form of community benefit such as work placements, training and employment opportunities. The group has benefitted from this in several ways e.g. it has been able to secure successful placements with these firms and secure bookings to provide venue hire and catering. Other tenders generally don't have community benefit clauses built in, but this group has been successful in winning these against national organisations. This is better for the community as it means more local jobs, rather than people from further afield delivering services which is what generally happens with the national firms. Winning contracts has secured local services and ensured their financial sustainability. The challenge is in the amount of work required to complete a tender, especially when the competition is from large national organisations who have departments of people with tendering expertise.

Prominent Community impacts:

- It has created a social hub for people, making them less socially isolated. There are people who regularly come in for breakfast or coffee and a chat.
- Local people feel increased pride of place - in their area and in "their" centre.
- Having space has allowed a wider range and choice of leisure and sporting activities for all ages – from arts & crafts to showing old movies.
- 50 jobs have been created, where there were none.
- 20 staff have achieved recognised qualifications.
- Availability of accessible local training has increased employability skills and enabled local people to secure employment.
- Training includes SQA registered courses and Modern Apprenticeships in subjects like

- Social Services and Healthcare, Business and Administration.
- Availability of flexible childcare services gives parents options to work or take part in training and other activities.
- Good bespoke facilities and activities are available for local young people
- Basic IT training for local people (mainly older) in small groups, using their own devices allows them greater online access and ability to stay in touch with family elsewhere.
- More local access to cultural events and activities through visiting artists and musicians.
- People come from all over the county to visit. Some come on the some distance, as an alternative to Inverness which is the same travel distance.
- The Big Lunch last year brought 200 local people together to socialise and have fun.

What benefits and challenges are attributable to tenure option?

Land lease

The building is owned by the group but the land is held under a long term ground lease, granted by the distillery which owns the land. It was granted at a peppercorn rent of £1 p.a. but they have never been asked for this.

Building ownership

Community ownership of the building boosted local self-esteem and pride and has made people more involved and invested in the centre and the services it provides.

Access to loan funding

Ownership created an asset that could be used to secure a loan for the final tranche of the funding needed to build it - £250K from a social investment fund, who hold a ranking security over the building. The loan was split into two parts – £125K with interest at 8% repayable over 10 years; the other half was patient capital with no interest for the first 5 years, provided agreed social outcomes were met. These were met so this 5 year period was interest free which was a big help. Repayments are now £4,000/month so PPP is negotiating with a commercial bank to try to secure a better deal, likely to be interest at 3%. This would represent a considerable cost saving for the project.

What are the project's future aspirations?

- The group continues to consult and gets constant feedback from the community as the basis for improving existing services and developing new ones that fill gaps in local services.
- The Care at Home service was started last year, with advice and support from Inverness-based Highland Home Carers. The aim is to increase the current 190 hours/week of care delivered to 400 hours/week by the end of this year.
- The group wants to use Self-Directed Support as a means of offering more activities and services to older people in the centre, either on their own or with carers. This will reduce social isolation for both the cared-for person and the carer.
- They also want to extend their outreach services so that they can be delivered in village halls in more rural surrounding areas.
- The number of jobs will increase from 50 to 60 by the end of this year.
- They will continue to keep an eye on social policy at local and national level to see how they fit and watch Public Contracts Scotland for opportunities to tender for other services.
- They are investigating renewable energy options.

Other points of note

Advice to other projects

- You can never have too much storage space; they admit that they underestimated it seriously.
- Be prepared for the amount of time it will take. It will not happen as quickly as you expect; it took this group 10 years.
- Make sure you have experts on your side during the early stages and the build process.

Project number: 11

Tenure: Lease to buy

Date project funding granted: Scottish Land Fund pre-purchase funding 2016

Geography: Remote rural

SIMD decile: 7th

Type of project (e.g. community building; amenity; energy project etc.): Community shop operated by a local community development trust

Project objectives:

- to hold onto the shop and bring it into community ownership;
- to encourage re-use and upcycling;
- to divert tonnage from landfill;
- to encourage more community interaction;
- to provide volunteering opportunities for all ages;
- to help to regenerate the main street;
- to create new jobs;
- to give the Trust a more visible presence;
- to increase Trust membership and local community engagement.

A brief description of the project and its main asset(s): The project is a charity shop on the town's main street. The Trust is currently leasing the privately owned shop and in the process of purchasing it to bring it into community ownership.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

The project is still at the very early stages.

The Trust was set up in 2009 and has developed a number of initiatives, most of which have grown organically. Some remain under the umbrella of the Trust; others have been incubated and then become separate, independent constituted groups. They also have a subsidiary trading company which operates as a completely separate social enterprise, producing wood fuel and providing training for young people.

The Trust operated from the village hall which meant it was largely hidden and unnoticed. It recognised the need for a front-facing, more central premises to make it more visible and increase engagement with the local community.

The catalyst for the project was the closure of the previous charity shop, which left the town without a charity shop and meant that people had nowhere locally to donate their unwanted items. The Trust saw this gap in the market as its chance to contribute to the regeneration of the main street, which has a number of empty shops. The project also meets the Trust's environmental aims of reducing waste by encouraging re-use and its social aims of creating opportunities and providing space where local people can come together.

It is part of an effort to tackle the decline of the main street with its empty shops. This has an economic effect and discourages further investment in the town. The run down appearance also has a detrimental effect on wellbeing and pride in the town.

The Trust negotiated a short-term lease on an empty shop, privately owned, and opened their charity shop, run and staffed by volunteers. The shop is open Wednesday-Saturday 12-5pm in the winter and 6 days a week in the summer. It also provides office space for the Trust. Leasing the shop provided the opportunity to try the idea out and prove that it works before deciding to take ownership of the shop.

A feasibility study and business plan have been completed and a successful application was submitted to the Scottish Land Fund which will provide 95% of the purchase price for the shop, which will be at market value.

What factors have supported the development project?

Community support and effort

Local people have been very supportive of the idea and actively support the shop as donors of items for resale, as customers and as volunteers.

Volunteer effort

The shop is entirely volunteer run. This has involved 50 volunteers since it opened with an active pool of 10 volunteers making sure that the shop is well stocked and open.

Board drive

Board members are all local people who are closely connected to and very involved with their local community. They have worked hard to drive projects forward.

Availability of a main street property

This means that the shop is visible so that it attracts not just locals but people from the wider area and visitors and passers-by.

Attitude of the landlord

He has been very accommodating and flexible with the lease. He is keen to sell and willing to negotiate, although sticking strictly to his asking price for the property.

Support through the process

The Scottish Land Fund process was fairly straightforward and logical and The Trust was supported in this by Community Enterprise, the Big Lottery and Highlands & Island Enterprise. What they particularly liked about the process is that it looks not just at the financial sustainability of the project but also at the social capital which allowed them to demonstrate the community benefit.

Community research

This provided external evidence of support for the project and how local people want to see it developed. However the challenge was that it also stirred some vocal individuals into expressing ideas that had previously been addressed; this was handled well by the external consultants.

What factors have hindered or challenged the development of the project?

The asking price

This has been a sticking point as the owner wants the full market value. This will be determined by an independent valuation, paid for through the Scottish Land Fund.

Filling the funding gap

Although the Scottish Land Fund will provide 95% of the purchase price, finding the other 5% of a full commercial price (to be verified by an independent valuation) is a challenge. It is hard to find gap funding. The Trust has generated some money from shop sales but it would like to keep these to ensure liquidity for future operations. If it has to use its own funds, it will have nothing left in reserves. It has started to investigate the possibility of using a secured loan over 10 years but sees this only as a last resort as repayments would place a long-term burden on the Trust's finances.

Lack of staff

The Trust has only one employee, responsible for a number of projects, which means he is thinly spread and unable to devote too much time to any one project.

Reliance on volunteers

The volunteers have contributed hugely and the shop would not be running without them but there is already an element of volunteer fatigue. It is recognised that volunteers cannot to be expected to manage the shop in the longer term and that there needs to be a paid shop manager/ volunteer co-ordinator whose job is to manage the shop, the stock and rotas, and organise volunteer recruitment, training and development.

Strong local characters

There were initially some strong and divergent opinions about how the project should be developed, which had to be negotiated sensitively without alienating members of the community. This has been done and the situation has settled down with everyone pulling positively together.

Compliance

Getting all of the policies and procedures in place for the shop was a challenge for an organisation with no experience of running a shop.

Have wider environmental or contextual factors influenced the project? If so, how?

Wider legislative context

The landlord is willing to sell so they have not had to use the Right to Buy provisions for the shop. However the funding through the Scottish Land Fund has been an enabler as it is allowing the Trust to take the shop at commercial value into community control. It could not have done this without the funding.

Wider economic situation

The economic impact of shop closures and the negative impact this has had on the town spurred the Trust on to take action to regenerate the town, a positive factor in an otherwise negative context.

Environmental factors

The move towards diverting waste from landfill as part of a more sustainable, greener environment has created a desire among local people to re-use unwanted household items. They are keen to support the charity as a means of re-use and there is evidence of an enthusiasm to take this to the next stage and develop an upcycling project. The favourable funding environment for such projects should also work to the Trust's advantage when it starts this project.

Prominent Community impacts:

The shop is already making an impact through:

- Economic regeneration – by occupying an empty shop on the main street, keeping some local spend in the town, and attracting spend by visitors and customers from the wider local area.
- Reduced social isolation – The shop is a place where people can meet and chat, either as customers or helpers.
- Carbon reduction benefits – through the diversion of unwanted clothing and household items from landfill; reduced carbon miles by providing a charity shop in the town, rather than travelling further afield.
- Increased volunteering opportunities for people of all ages, including isolated older people and people with disabilities.
- Involvement of school children is important. This has the benefit of raising awareness of the environmental impact of throw away consumer culture and benefits of re-use. It also provides opportunities for work experience and for those working on Duke of Edinburgh and Saltire Awards.
- Improving the Trust profile through more visible front-facing premises. This has increased awareness of the Trust and the number of members (currently 400+ in a population of 1,700). It allows more direct on-going engagement with local people.

Once it has taken ownership of and refurbished the property, it hopes to make further impacts on the community through:

- Creating at least one new job in the shop (a shop manager/volunteer co-ordinator post)
- Developing the project to include upcycling of goods and furniture. This will further
 - o reduce the amount of waste going to landfill;
 - o create training and job opportunities for more local people;
 - o provide a local source of reasonably priced furniture for local people;
 - o generate income for the Trust to make it sustainable and able to develop new projects and initiatives in response to local need;
 - o increase membership of the Trust, both from the town itself and from the wider area.
- Another aim is to set aside a percentage of the profits each year into a Community Benefit Fund that will be used to support small voluntary groups in the town.

What benefits and challenges are attributable to tenure option?

Leasing the shop was a good starting point as it allowed the Trust to get the shop open and see that it was working before committing to taking on ownership. It also creates a track record for the shop that shows that it is viable and sustainable.

However leasing gives no security of tenure:

- This hinders development and stifles new ideas.
- It has meant making do with the building as it is. It needs improvement work and refurbishment to create better shop space, better storage space and better office space.

Once it owns the building:

- It will be free to make any improvements it chooses, subject to planning requirements.
- It will be able replace the heating with a more cost-effective, environmentally friendly system, possibly including solar panels

- It will also be able to fundraise for the capital costs of this work, as it will have ownership of the premises.
- A phased approach will be taken to improvements, starting with basics and continuing as and when funding allows.

The other main advantage is that the building will be retained in community ownership and can be used for community purposes in the future.

What are the project's future aspirations?

Activity and projects have developed and grown organically in response to identified community need, provided they fit within the Trust's social, environmental and sustainability aims.

The shop is small but is seen as a good stepping stone to further projects, possibly another larger shop. The aim is also to develop an upcycling project which would recondition pre-loved furniture for resale, providing training places and jobs, as well as reducing the amount going to landfill. This fits with the Trust's ethos of being environmentally friendly and economically viable. It also responds to the needs of a community that is home to a lot of creative people who have real skills but a lack of opportunity and place to share them.

There is potential to collaborate with individuals and other local projects on a range of enterprise and arts' based activity. The Trust is tentatively exploring options.

Other points of note

Advice for others considering taking on a community asset:

- Don't spend too long thinking about an idea. Start small and learn as you go along.
- Let it grow organically.
- Be prepared to flex and adapt.

Project number: 12

Tenure: Very long leasehold – 150 years, which gives effective ownership

Date project funding granted: 2007

Geography: Urban

Type of project (e.g. community building; amenity; energy project etc.): A Community Food Initiative with focus on a Community building; revenue for FareShare and enterprise growth.

Project objectives:

- To expand its FareShare project
- To improve health by making affordable fruit and vegetables available locally to vulnerable and disadvantaged communities in the wider area
- To provide volunteering opportunities, including for people with learning disabilities
- To increase employability skills
- To create local jobs
- To address environmental issues by preventing food waste going to landfill
- To reduce food poverty by diverting surplus food to vulnerable and disadvantaged families
- To contribute to community regeneration and sustainability by creating a viable local social enterprise
- To generate profit from commercial fruit and veg sales to support and expand its charitable activities.

A brief description of the project and its main asset(s): Taking ownership under a 150 year lease of a building as a base for wholesale/retail operations and community activity, originally jointly owned by this group a local sustainable development organisation, now wholly owned by the group.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

This group was operating in a single warehouse in the building it now owns in the city. At that time the building was leased from the City Council by another charity, who wanted to sell the lease. The group was keen to stay there as it is in a good location in the city, close to commercial customers, and the railway station and with nearby bus stops for volunteers. They wanted the 3 warehouses on the ground floor (34% of the space) and another charity, wanted the rest of the building.

Their aim was to be able to expand the FareShare scheme to reduce the amount of food waste, to expand the scheme to more of the disadvantaged communities in the city, and adjacent counties and to grow its enterprise trading to strengthen sustainability.

It was a momentous day in 2007 when the Big Lottery awarded them a grant of £517,000 - £290,000 to purchase their share of the lease and £227,000 as three-year revenue funding to develop their FareShare scheme and grow enterprise activity. This was a fantastic investment which allowed the group to grow into the successful organisation it has become.

This also gave a boost to the committee, who at that time were mainly community representatives. Owning their building and seeing it officially opened by a Government Minister put a spring in their step, made them believe in their future and gave them the impetus to expand its services to reach more communities across the region.

Finalising the lease was a long, tortuous and expensive process, put huge strain on the organisation and almost pushed them into insolvency. They worked hard to get through this difficult period, with the help of loan finance from a social investment fund and personal loans.

In November 2010, they purchased a fruit and veg business that provided supported employment placements for up to 20 adults with learning disabilities. This was another dream project for the group. It was initially supported by grant funding but when this could not be sustained, the decision was taken reluctantly in 2015/16 to sell off the business. This part of the operation to serve a wider locality is now being developed from leased premises in another town.

Two years ago their partner charity lost its manager and its Board took the decision that the project had reached the end of its natural life. The group took on its projects and management to dissolution; its assets were transferred to them when it was wound up in January 2016. This gives the group the lease and effective ownership of the whole building.

This has enabled them to develop a commercial standard community training on the first floor, funded by the Landfill Communities Fund. The aim is to use it to offer free access to the kitchen and training on healthy cooking on a budget and reducing food waste for low income and vulnerable families. It is also providing commercial cook school sessions for paying customers as an income generator to support the kitchen's social activities

What factors have supported the development project?

- Strong community support for the project provided the motivation to take on the asset and keep going through the challenges.
- Knowing and living with the need in the community provides the impetus to make a success of the project.
- Seeing the difference it makes to the lives of the volunteers who come in on a regular basis is a constant reminder of why the group exists.
- Volunteers are crucial. They have grown in numbers as the service has expanded but some have been there for many years.
- Big Lottery Fund were supportive and understanding during the lease negotiation delays and provided vital extra funding of around £40,000 to cover the additional and unanticipated legal costs incurred. They agreed that this was a necessary part of the cost of acquisition. This funding was a life saver the group.
- Other funders have been very supportive of their core charitable activity over the years, particularly Scottish Government and local City Council. Funding has ensured the continuation and expansion of these much needed services.
- The Board has changed with the project. The original committee made up of community representatives soon became out of their depth as they grew and has been gradually replaced with a stronger, more commercially focused Board which includes oil company managers, retired business people and a Chartered Accountant.
- Factoring invoices has proved to be very useful for maintaining cash flow. Initial advice was not to consider this, later countered by business advice to make use of it. They started factoring in January 2012 and this saved the day by immediately releasing finance which eased a tight cash flow situation. They have continued with factoring and would advise other organisations who have an element of commercial trading to consider it.

What factors have hindered or challenged the development of the project?

- Splitting the lease proved technically challenging for the Council's legal team. The group and its charitable co-tenant needed the lease split so that both had an asset on the balance sheet. One charity leading and the other sub-letting was not an option. Neither wanted to rely on the other. The legal team had great difficulty splitting the lease. It was a frustrating two year process which ended up being costly in legal fees.
- The additional costs involved in securing the lease almost finished this group and it was teetering on the edge of the financial abyss and may not have survived without the additional funding from the Big Lottery in 2009.
- Cash flow was very challenging as their sales grew, which meant increasing stock purchases. The issue was made worse by the lag time between sales and receipt of payment from commercial companies many of whom take 90-120 days credit before settlement.
- Sales were badly affected by the downturn in the oil industry, falling to a third of previous levels. This reduced the profits available for re-investment back into its charitable activities at a time when the economic situation was pushing many people into poverty and creating an upsurge in demand for their services, with the resultant increase in the costs of charitable activities.
- Working with the social investment fund became challenging and frustrating. This was resolved by consolidation of the social investment fund and personal loans into one loan from a commercial bank.

Have wider environmental or contextual factors influenced the project? If so, how?

UK Government Welfare policy

Changes in welfare policy and benefits are impacting on families and the group has seen a steady increase in demand for services since 2012. The number of people forced to make use of food banks has also grown massively. The introduction of Universal Credit will make it worse which will create a nightmare for charities like them.

Scottish Government policy

Scottish Government has done well by the voluntary and third sectors in Scotland, both in terms of policy and financial support.

Economic situation

The downturn has hit the oil companies who were the group's main commercial customers, which had a huge impact on profitability and ability to generate income to support its charitable purposes.

Environmental policy

Their aims fit well with green aims of reducing waste going to landfill. This includes food and other waste.

Prominent Community impacts:

This group's priority is delivering social benefit for the community

- It has 60 community food outlets across the city and the county making affordable produce accessible to disadvantaged and vulnerable families
- 250/300 food parcels a week are distributed through the Foodbank
- The FareShare scheme makes use of 500 tonnes of food, worth £1.5 million, distributed through 170 "Community Food Members", partner organisations across Aberdeen,

Aberdeenshire and Moray.

- Saving in carbon emissions from diversion of food waste from landfill are significant. Every tonne of food distributed results in a 0.5 tonne saving in carbon emissions.
- An additional 72 tonnes of food was donated to the food bank by companies, supermarkets and the general public last year.
- A Food Poverty Action coalition , a partnership of 61 organisations led by this group, distributed more than 50,000 emergency food items and other products last year.
- There are 100-130 volunteers involved with the project at any time.
- Last year they recruited, trained and supported 250 volunteers, work placements and supported employees; the latter being 30 adults with learning difficulties including 17 at the fruit market business.
- Work experience is provided for ex-offenders to help reintegrate into the community on release funded by the Robertson Trust, and previously Big Lottery Fund.
- 22 of their 30 employees were recruited from priority communities e.g. unemployed, people with mental health issues or learning disabilities.
- The training kitchen provides cooking skills and education in reducing food waste and cooking on a budget.
- Financial Capability officers have helped people to access £200,000 in benefits last year, and helped people to manage debt.
- It provided support for Syrian refugees through the local Syrian Refugee Action Groups.
- People who have come in for corporate team building days have been blown away by the scale and complexity of their activity. These are potential donors and supporters.
- Involved in a pilot WEEE recycling initiative.

For this group generating income is the best way of ensuring sustainability so that it can continue to deliver its social outcomes. It does this by:

- Earning sustainable income from rent from 6 tenants, 5 of whom are charities, generating £3,500-£4,000/month of secure and free money.
- Generated income from Cook School classes are contributing to sustainability and generating profits to be re-invested in charitable activities to meet the growing need.
- Increasing awareness of their work through raising profile and engaging corporates has increased corporate and personal donations to £40,000 this year, with some donors now signed up for monthly giving.

What benefits and challenges are attributable to tenure option?

The 150 year lease gives security of tenure and is effectively regarded as ownership by the group themselves, and by funders and lenders.

Ownership allowed them to secure loan finance which it has used to grow the enterprise, initially through a loan from the social investment fund and then through additional private loans when the financial situation was difficult. These loans have been consolidated into a commercial bank loan at a more favourable rate of interest, with the loan secured on the property. Big Lottery Fund were very accommodating and gave prompt agreement to the bank taking first ranking security over the asset.

Historically the groups CEO would have advocated community ownership of assets but now sees the benefit of leasing. He points out that the Wood Group, a multi-billion pound oil industry giant, does not own any assets. It believes in leasing assets and using its capital to invest in and grow

the business. This may be a lesson for social enterprises.

This group is now leasing vehicles, rather than buying them as it spreads the cost and means that they can be replaced before they become liabilities.

What are the project's future aspirations?

- To diversify its commercial customer base to reduce reliance of oil industry companies. They have recently secured a large contract with North Link Ferries. They hope to continue to build commercial sales back up to the pre-recession levels.
- To develop marketing activity targeted at the commercial sector to persuade them to see this group, and other social enterprises, as an effective and reliable supplier, with the added benefit of contributing to their Corporate Social Responsibility.
- To develop more income generating activities which generate money to support the growing demand for services from people in need
- To raise awareness of all of the activities that they do, as a means of securing more donations and fundraising to support its core work.
- To make more use of social media to raise its profile and make more people in and beyond the community aware of what the group does.
- To increase fundraising. Last October's Appetite for Change challenge raised £5,500 through 48 people. The aim is to treble or quadruple this in 2017.
- It is involved in a Waste Electrical and Electronic Equipment (WEEE) initiative which will look at reclaiming scrap metal and re-usable parts from scrap equipment. This will meet its environmental objectives and generate income to support core charitable work.

All of these activities will allow the group to do more of its core charitable activity to help more people in the communities in and around the city.

Other points of note

To apply for a capital grant, an organisation must specify the building that it intends to purchase before it can start on the application. This can be very difficult in a market economy, particularly if the purchase is from a private landlord. By the time funding is secured, the building may well no longer be available. In this case, it meant a focus on one building, with no consideration given to whether there were better alternatives. If applications were less specific i.e. based on the market value for the size/type of building required in an agreed area, an organisation would have time during the assessment process to investigate available properties, which may result in better outcomes such as a lower purchase price or a more suitable building.

At the time of its capital grant award, Big Lottery conditions included an 80 year interest in the asset and "claw back" clause in the event of its sale. This period had now been reduced but still applies to earlier grants. Perhaps this could be revised to bring it in line with current terms of award, as 80 years is an excessively long period.

Advice for other projects

- Owning an asset seems to be an attractive idea but you need to look beyond the initial acquisition and have a clear plan for meeting the costs associated with owning and running the asset. For example, this group has faced two substantial roof replacement bills
- Social purposes have to be at the heart of what you do but sometimes the business head has to come to the fore to ensure viability. This can involve hard decisions like having to make staff redundant.
- It won't fall into place; it needs a lot of hard work.

Project number: 13

Tenure: Ownership

Date project funding granted: 2010/11

Geography: Rural small town

SIMD decile: 4th

Type of project (e.g. community building; amenity; energy project etc.): Community building

Project objectives:

- To create the warm, welcoming, well designed and well finished facility that the community deserves
- To focus on quality to address the local culture of settling for second best
- To provide space to encourage community activity
- To respond to high demand for improved fitness and sports facilities in the locality
- To create a sustainable facility by building in features that would minimise running costs in the long term
- To build in features like the biomass boiler to reduce environmental impact
- To manage the facility on a sustainable basis for the benefit of the local community
- To work in partnership with other local organisations to ensure that the services provided from the Centre meet local needs.

A brief description of the project and its main asset(s):

The centre offers a variety of spaces and facilities for community groups, businesses and private individuals. The Community Group owns and manages the facility.

It offers

- a venue for corporate or social events, including civil ceremonies and wedding receptions (large hall – up to 120 people)
- community meeting space
- a fully equipped catering kitchen and café, used as a training facility by Social Work Resources, providing work experience and accredited training for adults with additional support needs.
- a state of the art fitness suite which is run by the Group, in conjunction with a local fitness instructor
- two office spaces, for small/ start up business use, private meetings and one-to-one interviews. These are available both on a longer term or a hot-desking basis.

Janitorial staff are provided by the Council, as an in-kind contribution to the project. The Group employs a manager, whose focus is on business development; the post is part-funded by the Big Lottery Fund and partly from its own funds. There is also an admin post.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

The building was a Victorian school that had been purchased in the 1980s by Church of Scotland and was used as the church hall. The Group took on the lease in 1995 at a peppercorn rent and managed it as a community facility for 16 years. The fabric of the building was deteriorating and there were problems with leaks in the roof and water ingress. £250K was invested in repairs to the property in 1998 but this failed to address the key issues (rot, water ingress). The poor state of the building led to low usage between 2005 and 2008 and the Centre operated at a deficit.

The current Directors became involved in 2008. They were faced with the choice of raising a further £60K to fix the roof and redecorate or to take the more radical approach and redevelop the building to make the space fit for 21st century purposes. They chose the latter option, started community consultations and commissioned a feasibility study and options' appraisal to look at site options. It concluded that the centre was the right building to develop. They engaged a firm of architects to develop the capital project. The Big Lottery Fund awarded them £73K to cover technical fees for detailed design and technical work.

The Church of Scotland transferred ownership to the group for a purchase price of £1 in July 2010.

This led on to submission of a stage 2 bid to the Big Lottery Fund's Growing Community Assets fund, which was successful in June 2010 and provided half of the £1m cost of redeveloping the building.

The rest of the funding came from a range of sources – a substantial amount through ERDF, £200K from a fund targeted at former Coalfields' areas; and other amounts from a range of Trusts. Local fundraising included the sale of the Scout & Guide hut and many heroic efforts including cycling from Land's End to John O' Groats.

The complete funding package was in place, contractors were appointed in March 2011 and work started the next month. The work on the building was completed and the Centre opened in January 2012.

A community-owned and managed biomass (wood-fuelled) district heating system, was developed concurrently with the centre to provide environmentally sound energy not only to the building, but also the local bowling club and church. The £160K project was funded jointly by Community Energy Scotland and the Council. It was a steep learning curve for the group and a huge amount of research was required but the biomass heating system has now been running well for over six years.

The total cost of the project from initial feasibility to completion of the building, including the biomass boiler and the car park was £1.361m

What factors have supported the development project?

- Local community support and lots of local fundraising
- The Church's attitude to the sale of the building helped the transfer of ownership
- Revenue funding from the Big Lottery (in addition to the capital funding) was crucial as it allowed the group to employ a project worker who was able to take on the project management and drive it forward.
- Having a good design team that understood what the project was trying to achieve made a huge difference. They managed the technical aspects but were as excited about the project as the group and the community.

What factors have hindered or challenged the development of the project?

The project was fraught and plagued with crises, as asset development projects generally are.
Procurement

- Appointing the design team and contractors was hard for a board with no experience of the process. Big Lottery officers were supportive but their hands were tied and they were unable to be specific about what should and shouldn't be done. The board had to learn quickly.
- Once appointed, the design team managed the process to procure the contractors for the work.
- There is the real risk that professionals, recognising that a board does not know what it is doing, are not making decisions that are in the best interests of the organisation.
- Both timescales and costs slipped, as a result of the board's inexperience. This used up the contingency funding.
- More professional support would have helped as board members had neither specific capital build project management experience nor time to be able to be on site.

Community dissent

A small section of the local community was not supportive. They were not just vocal but actively worked against the Group, despite best efforts to talk to them. At one point, they went so far as to write to the Big Lottery Fund saying that the Group should not get funding. This was a challenge for the Board, particularly in a small community, and hit morale. However the rest of the community was behind the project so the Board realised they had to accept the situation, not take it personally and get on with it.

Conflicting priorities

The group knew what the community wanted from the facility and had plans to meet that need. Once the project gathered a certain level of momentum, other organisations wanted to become involved. This included the Council's Funding Team who offered to help fill the £200K funding gap. They decided to submit an application for ERDF funding. The Board thought that it was not a good fit with the plans but the application submitted focused on childcare and business space, although there was no community demand for either of these. The board thought that better use could have been made of the space. This application was successful and the group protected themselves by asking the Council to underwrite the funding.

Legal fees

They had overlooked the legal costs of setting up the company, the lawyer's fees for transfer of ownership and other bits of paperwork. They have also found some law firms are more experienced in this sort of work than others. There was also the cost of granting and registering the security over the asset that is a funding requirement.

Board time and stress

They knew developing the project would be a lot of work but had not anticipated just how much time it would take nor how stressful it would be.

Have wider environmental or contextual factors influenced the project? If so, how?

Funding environment

- The area, as a former mining area and an area of deprivation, was one of Big Lottery's target areas for funding in the local authority area. This worked in the centre's favour.
- Big Lottery has been a major supporter, with both advice and funding - *“They do not abandon you if they see that you are trying your best”*

- Close links with the local LEADER team led to match revenue funding and networking opportunities that were more valuable in the longer term than the funding.
- Once some funders were in place, doors opened to other funders and to the local authority.

Environmental factors

- The group was keen to minimise the impact on the environment so improvements to the building included full insulation and a biomass boiler to use green energy in the most heat efficient way.
- This led to the creation of the community energy project, using the biomass boiler.

Housing policy

- The village has seen the demolition of social housing with no replacement and no private house building on the horizon. This in turn leads to a falling population and feeling of being left behind. The centre was an attempt to re-invigorate the village.

Prominent Community impacts:

The group has become the community anchor organisation. The centre is now recognised as the main community hub and venue for a vast range of leisure, sporting and social activities

- Promotion of healthier lifestyles and improved fitness as a result of use of the affordable and accessible fitness suite and a range of fitness classes. They see the fitness suite as their biggest success.
- A regular programme of activities for all ages and interests in the centre, well attended by local people
- A place for local people to hold parties and other social functions
- A café for local people to meet, socialise and enjoy a coffee or snack
- Training opportunities in the kitchen for people with learning disabilities
- Bringing in a range of one-off events, concerts and activities for local people
- A meeting place for local uniformed organisations

What benefits and challenges are attributable to tenure option?

The group had always rented the Centre from the Church of Scotland for a small annual amount but funding policies dictated that they had to own the building in order to access grants. This was a big step and scary at the time but they can look back on it now, satisfied that it was the right decision to make.

Ownership opened up a range of different funding streams

The sense of community ownership means that people take responsibility for the building and are aware of its external appearance as well as its interior.

Loan finance

Ownership opens up the option of using loan finance. The group put bridging finance in place with a social investment fund during the construction phase but they did not have to use it.

What are the project's future aspirations?

The space outside is not particularly well used. The aim is to bring the quality of the indoor space

outside to make it more attractive. This is likely to be a garden space that is functional and can be used to expand existing activities. The community consultation and feasibility study for this project have been completed and the project is ready to go, once funding is secured.

The group has operated a charity shop in the village for some time. It has long been their aspiration to own the shop. They have just been awarded funding through the Scottish Land Fund and local windfarm monies (£129K in total) and are in the process of purchasing the shop unit and the retail unit next door, which houses a bakery, plus the accommodation above the shops. They will continue to operate the charity shop and act as landlords for the sitting tenants in the bakery and the flat. The confidence gained and the lessons learned from purchasing and developing the centre has enabled the board to take on this second purchase. The medium term aspiration is to raise the funds to improve the properties.

In the long term, there is a need to evaluate the Centre's performance and the use of space and to identify new uses for the space which will meet community needs and generate income to ensure the long-term sustainability of the facility. They are particularly conscious that they could lose the janitorial support and the training project supported by the Council.

Other points of note

Quotes from the Centre: Our Journey, a leaflet that charts their journey and some of the lessons they learned along the way.

"We are all quite emotional about it, not for the amount of hours we have put in, not for our own satisfaction, it's the fact that the village, where we all live is going to get an amazing new Community Centre that EVERYONE can use and enjoy, that THEY can be proud of and that will last for years to come."

"All we wanted to do when we first came up with our idea was to get it done - and ideally within a year. That was never going to happen. These projects take a long time - and that's actually really important. We're glad we took our time. We have a much more robust and successful project because of it."

"We listened to the professionals. At our first meeting with a Lottery officer, he suggested we sort out some local conflicts and animosities and aim to get people working towards a common goal. We did this (or at least tried to!)."

Advice to other projects

Their top ten tips are:

1. Ask yourself what difference you want your project to achieve and focus on that goal throughout.
2. Never mould your project to a funding stream. It will compromise your overall objective. If it's good enough, the money will come.
3. Go beyond the call of duty in terms of consultation and engagement. Build a relationship with the wider local community.
4. Maintain your independence and don't question your own abilities – external support is valuable but you know best!
5. Strive for quality. Quality = sustainability.

6. Learn from others – go and visit inspirational places
7. Share responsibility and play to each other's strengths. You will not achieve this on your own.
8. Employ a VERY good design team
9. Engage in local and regional networks – a source of knowledge, support and resources
10. Have fun!

Project number: 14
Tenure: leased
Project funding: Project transferred to community control from the Council on 26 February 2016, 13 months before the date of the interview
Geography: Remote rural
SIMD Decile: 2
Type of project (e.g. community building; amenity; energy project etc.): Community Building
<p>Project objectives:</p> <ul style="list-style-type: none"> • To preserve the former miners welfare building which had become the local community centre as a key community hub important to the communities identify, history and contemporary community life. • To avoid its closure as it has been placed on a list of buildings which the local Council wished to transfer to community control or close and potentially demolish. • To contribute to delivery of the improvements that were identified in the Local Community Action Plan for the town in relation to improving community facilities. • To improve the way the facility had been run previously by the Council which was not effectively encouraging the kind of use that was needed in the town.
A brief description of the project and its main asset(s):
<p>The community centre is a long standing community facility in a former mining community. Mining was the mainstay of the local economy until pit closures had a devastating effect on local employment in the 1980s. When combined with subsequent decline in employment in manufacturing and in forestry, this has resulted in three generations of unemployment for some families in the area with the resulting impact on other aspects of the social fabric of the town.</p> <p>The community centre has existed for 60 years and was built with contributions from the miners living and working in the area, including members of the families of existing committee members. The personal connection between the building and the community is part of the collective social history of the town and highlights its importance to its cultural and industrial heritage.</p> <p>The Community Centre is now run by a local Community Association who are a group of volunteers. They took over the community centre on 26 Feb 2016 from the local Council through their council led Community Asset Transfer process. The charity has 3 main trustees with a wider management committee of 19 local people.</p> <p>It is home to a wide range of local organisations providing social, educational and recreational services as well as one off lets for touring and other cultural and sporting events and civic purposes such as elections and Blood Transfusion Service donations. It is also a regular venue for private functions for families and community groups and a place for seasonal and other events.</p> <p>In the past it was also a venue for the group who developed the community action plan for the area and has also been a venue for local participatory budgeting events. The building has a large</p>

main community hall suitable for most services and local functions. Without it people would have to travel and can't always afford to do so.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

Although the centre has existed for a long time, prior to the transfer it was very poorly used and both the Council and the community association wanted to turn this around. It was not meeting the needs of the local community due to physical neglect and the way it was being run. Both the association and the Council felt that it would benefit from a greater sense of local ownership.

The Councils Building Review in 2013 identified buildings across the local authority area which it wished to transfer to community control and local people were made aware of this and that the centre could be "bulldozed" unless people took it on. Although uncomfortable with the lack of a real choice about securing the future of the centre, the group also felt they could do much of the running more effectively than it was being run at this time.

The association wanted to secure the building for the long term and there was a sense that its loss would be very bad for the local community which already had many challenges to deal with. They wanted to provide a sustainable, good quality location where people could meet together and access the information and services that they needed to support community life. This meant improving the centre for local groups and agencies to deliver services and other opportunities for individuals, families and communities through meaningful social and community activities.

Initial stages of the activity included

- Early meetings with council staff began discussing what would be involved in taking more control. This was around the time that a specialist integrated team were established but pre-dated the full implementing of this process.
- The group were encouraged to consult the community as to whether they should take control of the resources and there was significant support for this idea.
- The council supported the group to explore the feasibility of asset transfer and paid for them to select their own external consultant to assist with market research on local need and with the development of a business plan.
- The group itself took time to consider the pros and cons of taking control – but were constrained by the fact that they understood the alternative to community management was closure and demolition.
- The group identified its own lawyer and became a Scottish Charitable Incorporated Organisation.
- Technical assessments of the state of the building were conducted by the council to estimate the state of repair of the building itself
- Details of the running costs of the building were gathered with a view to sharing these with the group.
- The aim of this work was to give the group the following key information prior to transfer
 - Accurate information as to the running costs in terms of gas electricity etc.
 - Assessment of essential/impending major repairs which would impact on whoever was managing the building as these would need to be dealt with.

- The extent to which capital and revenue resources would be available to address these issues as part of the agreement to transfer.

The original offer from the Council was for a ten year full repair lease.

What factors have supported the development project?

- The group identified the greatest advantage from the process as the sense of ownership of the building from local people who now see it as important for their community.
- The groups analysis of the flaws in how the building had been run as a Council service were vindicated by a 350% increase following their takeover of the letting 3 – 4 years ago. This increase was due to a much more welcoming and flexible approach to the buildings use. This success further illustrated that an increased role for the community in running the centre as whole had great potential.
- The process of deciding to take more control built confidence in the management group that they could achieve a great deal on their own once they started to take concrete action towards doing this.
- The group did not take the decision lightly with careful consideration at all stages with real exploration of the viability of the ideas themselves e.g. in working out realistic cash flow projections to test the assumptions of the emerging business plan.
- The commitment of local people has also been reflected in increased volunteering by people who cared about what the group were doing – including some who did not feel the need to be involved in the management group.
- In addition to generating their own income they have received financial assistance from the Council, the Coalfields Trust, the Minerals Trust as well as donations from a number of local businesses based on confidence in their abilities. The group have also been able to generate funding from sources such as the Leader programme (circa £80,000) for major refurbishment of the toilets and front entrance and from Awards for All for upgrading fixtures and fittings such as tables, chairs and crockery.
- Support from the Council - The Trustees has a good working relationship with the Council and they are always on hand for advice.

What factors have hindered or challenged the development of the project?

- There was a recognition that taking this level of control – irrespective of whether the facility was owned or leased was a big responsibility and it was described as being “like a second job”.
- The process of taking over was quite daunting for local people with complex processes and off putting jargon in legal documents concerning the transfer of the building.
- The legal aspects of the process can be very slow with detailed negotiation required as it progresses.
- This was something the group have mixed feelings about since they had not initiated the process and did not necessarily feel that they should have to take on board the running of the building in order for it to be run effectively - and pay rent for the privilege.
- The community centre is a very old building leading to high repair and maintenance costs which need to be taken account of in the transfer arrangements as these are likely to become more challenging as it ages. Particular issues of this type concern the age and efficiency of the heating and parts of the electrical system, the whole building had been

recently rewired but the electricity meters appear to be the original meters fitted to the building and the group believe that these are faulty.

- The group's understanding of the Council's original assessment of capital investment needed in the building, based on a technical assessment report, was that major outstanding repairs costing approximately £150,000 were needed. This estimate was not shared in writing but dropped to £100,000 and then to an eventual figure of approximately £50,000. The group understood that this was due to required cuts and efficiency savings rather than any changes to the actual costs of the work required. The fact that the Council may have a different view of this was acknowledged.
- The transfer deal from Council to community control took some of these factors onto account based on the technical assessment and the group's business plan. This affected:
 - The calculation of the value of the asset and therefore its rental value.
 - The decision to offer a two year rent free period to the group.
 - The impact of costs of capital works which should be addressed prior to transfer.
 - The level of revenue support the group now receives.

Have wider environmental or contextual factors influenced the project? If so, how?

Although the council asset transfer approach to community organisations is formally open about the potential for community groups to use, lease or own facilities there has been an emphasis on leasing as the preferred route in the short term and this has been the outcome in the vast majority of transfers in the locality.

The council analysis is that in almost all cases this is what groups wish to do rather than take full responsibility for assets from the outset. In this case the group clearly felt that the council preference was for a leasing agreement but acknowledge that ownership of the property as an option was not ruled out – but also not encouraged.

The council's policy is one which has had some influence in framing the development of the Community Empowerment Act. It is clearly supporting increased community control and has many positive features, however it also has potential to be strengthened based on the experience of all parties and is being reviewed currently in the light of the final form of the legislation and on the experience of operating the policy for the last few years.

Prominent Community impacts:

The community association are very positive about the impact of the decision to transfer and list the benefits as follows:

- The profile of the centre - and consequently its use - has increased very significantly
- The group also now has a Facebook page with 1634 members publicising their work and engaging the local community in how it should be developed.
- The centres programme has become increasingly popular with an average 100 children and young people at recent events aimed at them.
- Two new fourteen year old girls have now been identified as management committee members. The group see this as important for the future sustainability of the management group and to remain relevant to the needs of the younger residents of the town.
- Volunteer numbers have been increasing with local residents offering a range of their own practical skills and time to help out with the operation of the Centre.

- People are now proud of the centre and feel that it is theirs as confirmed by a recent electronic survey which emphasised local pride in what had been achieved. This is why use is increasing dramatically.
- There is now an extensive programme of community and social events.

What benefits and challenges are attributable to tenure option?

Benefits

- Overall the group has a very positive outlook about the future and this is significantly affected by increased community control. Thus includes exploring taking full ownership at some point in future.
- By securing a twenty year lease the group have accessed funding they need to date but feel that ownership may be required to realise longer term aims.
- The group promote the common sense of local ownership building on the history and value of the centre and have already reenergised it as somewhere which people once again feel is theirs, even though at this stage it is technically still owned by the council.

Challenges

- Although the group were clear that they wanted to look at full ownership from early in the process, it is clear that the group felt that this was not encouraged. Clarifying the aims of the policy in this regard is important and should involve more dialogue with local groups
- The original offer of a ten year lease wasn't adequate and they negotiated up to twenty to be able to access funding from sources which requires this.
- Full repair lease – The group feel that this kind of lease has the responsibilities of owning without the advantages of not paying a rent and this is a factor that the group are uncomfortable with.
- Their other main concern is having to pay rent for something they didn't plan to take over in the first place.
- Although some things were identified in the list of outstanding repairs as part of the leasing negotiations, other issues like the age of old heating and electrical systems, which still work but are very inefficient, is not adequately taken into account.
- Clarity of communication in exact details of the factors affecting calculations of valuations, rent levels and capital investment needs is very important. Based on this example there may be room to improve this.
- Support arrangements – In this case the consultant working on the business plan did not meet the groups' expectations, causing them to have to carry out more of this work themselves.

Other points of note:

- With hindsight the group would have liked more support and detailed information at the early stages.
- In terms of advice for others - The group feel that groups need to be 100% committed as taking this level of day to day control is not a decision to take lightly. They advise groups to think through all the details and get the right kind of support to build understanding of the balance of opportunities and risks

- Despite the challenges, the group feel very positive about the decision to take more control. They felt that “when the time is right ” they would be keen to get funding for their own development and caretaking staff but are currently concentrating on the more day to day activity like refurbishing the building and building up its use.
- The amount of time and effort involved in bidding for funds is very significant and has required the group to develop skills quickly and effectively. This is particularly important as the fabric of the building needs increased attention.
- The Big Lottery Fund– have confirmed that a recent bid for funds to update the kitchen had been unsuccessful because the group were not “ community led enough”. The Trustees will apply again in the future and hope greater clarification on reasons for refusal will aide this process.
- The value of asking for advice from others who have been through the process was emphasised and this is something that group felt it should have done more. This reflection would be useful in planning for further support arrangements for groups going through the process.

Project number: 15

Tenure: Community Owned since 2015

Date project funding granted: NA

Project Duration: Community Controlled since 1992

Geography: Accessible rural

The facility is located in what had been a small village between a number of other settlements including surrounding villages and two nearby towns. The village itself saw no development since the 1950s with most dwellings demolished since then leaving only three original houses, but the old school remained and is widely used by agricultural and small communities nearby. It is also located within one of the most deprived SIMD datazones in Scotland due to the combined impact of post mining industrial decline and pressures on rural communities caused by this and declining agricultural economy. By way of comparison, parts of this former coalfield datazone now exhibits similar levels of deprivation to highly deprived urban estates in Glasgow.

SIMD decile: 6th

Type of project (e.g. community building; amenity; energy project etc.): Community Building

A Community Centre owned and managed by the local community via asset transfer. The objectives of the transfer were:

- To maintain the existing Community Centre as a key community hub; to preserve its identity and history with relevance to contemporary community life.
- To replace our pre-existing lease with a more sustainable approach to community control of the building and take full ownership of it.
- To strengthen the impact of the building and its positive outcomes for the local community

A brief description of the project and its main asset(s):

The Community Centre is a long-standing community facility in an old village school. This facility is run by a local Community Association and is a registered charity. The Community Association was established in 1995, building on a previous users group, to run the Community Centre and provide social and recreational activities for the local community of all ages. It is a large building with many rooms suitable for different kinds of activities. It is the only comparable community hall in the old parish boundary and has an important common bond with many people in the surrounding villages having gone to school there.

The initial stages of the project: how did the project come about? What needs did it seek to meet? What was involved in the early stages of the project?

When the building ceased to be used as a school in 1969, Strathclyde Regional Council made it available for community education activities with representatives from the various user groups forming a users' committee. The Regional Council encouraged the user groups to take more control and a Community Association was formed in 1992. In 1995 the Association registered as a charity and was granted a 20-year full repair lease on the building which expired in 2015. In 2013, the Association became a Scottish Charitable Incorporated Organisation (SCIO), as part of its preparation to take ownership of the building through the Community Asset Transfer Scheme.

As part of the process, the committee consulted with the community; produced a comprehensive Business Plan and launched an appeal to the local community to buy the Centre. The application was successful and in April 2015 the Community Association became the owners of the Centre.

What factors have supported the development project?

The group had experience in operational management after twenty years of full maintenance leasing and were paying all the bills and generating income to do this. Local people had managed this successfully and benefitted from this experience in terms of what they are doing now.

In 2012, the community worker raised the potential for full asset transfer as the Council was considering a policy change in this area. On attending a training event on Constitutions, it was realised to own an asset, it would be better for the Association to change from an unincorporated organisation to an incorporated organisation, a SCIO, which is a legal entity. To become a SCIO, the constitution would need to be of a standard suitable for approval by OSCR. This took about 12 to 18 months to achieve and be in place ready for the Council's policy change.

The Council set the purchase price at a 90% discount to the valuation price of the Centre, which made purchasing achievable. The group consulted the community and raised the money via a public appeal, including donations from private individuals, user groups, local businesses and charitable foundations.

The council community worker was instrumental in prompting the appropriate people at the council when progress slowed.

What factors have hindered or challenged the development of the project?

The committee had previously tried to upgrade the toilet and disabled access facilities but were prevented from obtaining planning/building warrants as there was no one at the council willing to authorise improvements. The group felt the council's attitude was indifferent which meant that things ground to a halt.

The committee discovered that they could not access grant funding 1) without permission of the owner (the Council) to make improvements, 2) because there was less than 5 years left on the lease or 3) they did not have full ownership of the building. Hence the committee were keen to pursue ownership to have greater autonomy.

The process of becoming a SCIO charity was difficult mostly due to the bank (BoS) interpreting charity law based on UK wide regulations and not of those in Scotland. They did not know about sources of support for dealing with this for example the Community Ownership Support Service which could have helped.

The group was not initially offered support for business planning and did not know this was available. They did it themselves - with support from relatives of local people. This was a useful experience and the business plan has proven to be accurate in its projections when reviewed. Although they did get help from the Council with legal fees, they felt that the Council negotiation stance also increased the legal bill considerably as this asset transfer was in effect used as a pilot. The group received £500 towards legal fees of £1,314 but have since become aware of some groups accessing £8,000-£10,000 from a range of sources; including the Lottery, for funding business documentation support and legal fees.

The group recognise that other professional support e.g. community development could/can be very useful, but that they benefitted from doing a lot of the work themselves. CD support could help create better ways of sharing tasks and experience within their organisation and with others going through similar processes.

The Council purchase valuation was originally circa £100,000. The group demonstrated that at least £16,000 worth of repairs were needed leading to a revised valuation of £84,000 based on subtracting the costs of repairs and then setting the transfer price at 10% of this value at £8,400. Although this was much more achievable; it was still a considerable sum – more than the group's turnover. During negotiations with the council, the Council added a clawback clause on the 90% in kind benefit transfer price.

Although agreement re the cost of the repairs reduced the purchase price considerably by £1600, the group now have to find the money to do these repairs. In effect, this raises the real-world cost of taking over the building to closer to £30,000 once essential repairs are factored in.

Have wider environmental or contextual factors influenced the project? If so, how?

The main factors affecting the local context for the transfer are as follows.

- The Community asset transfer scheme run by the Council is overtly seeking to increase community control. As long-term tenants, the next logical step for this group was ownership.
- The awareness of the Empowerment Act has underpinned the groups commitment to ownership and community control
- The Council supported process of Community Led Action Planning has also highlighted – local needs and the importance of key local facilities like theirs.

Prominent Community impacts:

The Centre has continued to provide facilities at 3 levels, 1) to host social, educational and recreational activities for use by Centre users and wider community, 2) The opportunity for private hiring. 3) to provide facilities for user groups as follows:

- A Recreational Bowling Club
- A number of Farmers and Young Farmers organisations
- A Craft Club
- An amateur dramatics group
- A Social Club.
- A branch of the Scottish Women's Institute
- The local Parish Guild
- A Fiddlers group
- A music group
- A Yoga group
- Occasional Art classes

Had the Council declared the building surplus and closed it these facilities would have been lost together with future potential to meet local need.

Engagement with the local community to explore support for transfer has supported significant

fundraising. The group has continued to meet running costs and to seek funding for roof repairs, improved physical access and general refurbishment. Although some small bids have been unsuccessful, others are in the pipeline, for toilet improvements and reconfiguration of rooms, which now have planning consent. A recent grant from a local landfill site of £22,000 will help with the repair of the roof.

In general, the group is gradually improving the existing asset at this stage rather than changing how it operates radically. They feel it is important to consolidate what they now own before growing too quickly.

What benefits and challenges are attributable to tenure option?

The group wanted ownership because it would give them autonomy to progress the improvements to the Centre. Another benefit of ownership was that there would be no risk of annual rental costs in the longer term. Seven years of the notional rent level suggested by the valuation was equal to the same outlay to purchase.

Ownership has brought changes in community perceptions, it is now considered more vibrant.

Ownership has not led to the recruitment of many new volunteers or committee members although user groups appreciate their access and the group do feel that they have more security and independence with all resources raised being reinvested in the building.

The council at the beginning of the process agreed to ownership, but latterly their preference was to lease; however, the group was clear from the start that they wanted ownership, which the council allowed.

Inability to pursue GCA, Land fund was a frustration as this is now possible. Using the asset as leverage for Loans is something they have considered but rejected as they are unable to generate income to repay them.

Given the chance over again the group would still purchase the building. It was a difficult process being the pilot for the asset transfer process. The Asset Transfer sub-committee was able to negotiate the complex legal and contractual issues they faced, assisted by the committee and a good lawyer. They feel they successfully negotiated but would have liked more help from a mentor or someone who had been through this experience before for example with completion of business plans.

An outstanding issue for the group is the nature of the clawback clause in their purchase agreement. This is expressed in terms of an “Economic Development Burden” which the group believe prohibits them from improving the building in ways which would change its potential value and allow the council to seek recompense for this in terms of a retrospective increase in the transfer price. They believe that this means they can’t improve the building in a way that enables them to raise additional revenue through social enterprise activity without triggering this clause. The Council wanted this to apply in perpetuity with the group negotiating a stepped agreement which nevertheless applies, fully for sixteen years, then partly to forty years. This seems to contradict the wider policy of urging communities to finance services via social enterprise activity and requires further clarification.

What are the project’s future aspirations? They see ourselves as thriving and can offer a positive way forward because of the strong partnership which exists between the committee and the local

community.

This group describe themselves as thriving and are positive about having control of the asset and its future. Its use is increasing and they are improving their impact incrementally. Ownership is more about practicalities like being able to apply for grant funding without having to establish who at the council would provide written permission to support the project, something they don't think would be possible in a leasing model.

Other points of note:

The group expressed surprise at the fact that the BIG lottery – were prepared to fund £25,000 to pay a worker to find and apply for money on their behalf but not to contribute to their purchase costs for the transfer. They were also frustrated that SLF couldn't help at the time. The group's understanding of this was that their requirements (£8,400) were under the minimum grant limit operated by the SLF at that time. They feel strongly that it is counterproductive to have barriers accessing small amounts for purchase or key renovations when other areas seem to find it easier to secure major projects. They feel this is difficult to understand in value for money terms and doesn't respond to local circumstances.

They currently have the right skill mix in the group, ownership has helped recruit 2 new volunteers but recruitment remains a challenge. It has created a lot of work for a small number of people in the core group of the organisation partly due to skills of these members and their individual experiences and capacity. Ownership has animated the community in other ways.

The community worker has expressed the view the group is very strong with good skill sets and is able to go forward with minimal support from the Council. The same worker supports the Community Led Action Planning process and the group is now part of a community led action plan forum and they do get some support via this process and are a major contributor.

They now have much less support from the community worker as they are deemed to have less need as a group now the transfer is complete and yet to some extent this represents a start of a whole new phase of work. They are also made aware of both funding and training opportunities via Council support staff and this is valued.

Ultimately, the group recognise that they were the first to achieve full ownership transfer under the current arrangements. This asset transfer was difficult because it was a new untried process which the Council used as a pilot. The group have stated that they now understand that the deals are fairer now than the one which they negotiated.

The benefit of asset transfer has been achieving autonomy and to secure a positive future for the Centre and the local community it serves.