

Growing Community Assets

Further Guidance

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BIG
LOTTERY
FUND



What are we trying to achieve?

We want to help local communities become stronger and more sustainable by helping them to obtain and develop assets. These are usually physical assets, such as land, buildings or equipment, but may also include other types of asset such as energy. We will invest in communities to help them acquire assets, and develop, manage, improve, sustain and protect them.

Growing Community Assets is all about enabling communities to have more control and influence over their future development through owning and developing their local assets. Communities will be able to acquire and develop assets to improve their livelihoods and neighbourhoods. Assets can be used to generate income streams and provide quality services and amenities that are viable and sustainable in the long term – financially, socially and environmentally. We hope that this will mean more people will benefit from those assets, and that they will help create more community income, employment and enjoyment.

We would also like to see the ownership of community assets encouraging people to become more actively involved in their communities, influencing what happens and taking part in decisions. We want more people to become involved in deciding how local assets are used and to work together to address local needs.

Growing Community Assets will make these opportunities available to communities in all parts of Scotland, including both urban and rural areas.

We want Growing Community Assets to lead to a wider recognition of the importance of community-led regeneration, investing in projects that create and pass on learning, good practice and inspiration to communities and policy-makers. Over the following pages we set out the changes we hope to see achieved through this investment, and the additional support we have put in place for communities considering embarking on an asset-based project.

What changes would we like to see?

We have identified a number of outcomes, or long-term changes, we want our investment in Growing Community Assets to achieve. Your proposal must show how it will directly contribute to the achievement of at least one of these outcomes, but it will be stronger and have a better chance of being funded if you can show that it will bring about more than one of these long-term changes for your community. More guidance on outcomes, and how to take an outcomes approach when planning your project, can be found in the document Explaining the difference your project makes, available from the Big Lottery Fund website. The specific outcomes we would like to see are:

Outcome 1: Communities are more able to grasp opportunities, and are more enterprising and self-reliant

We will invest in proposals that:

- enable communities to become stronger by generating both social and financial benefits from their asset
- help communities generate independent income streams

through their assets, and enable them to develop plans to re-invest this in the community

- support and enable communities to develop business strengths, for example by entering into production or trading, or charging for services, products or workspace
- increase employment, earnings and the conditions that support business growth in the local area.

Outcome 2: Communities are stronger, with shared aspirations and the ability to achieve these together

We will invest in proposals that:

- enable people in communities to become more involved in deciding how local assets (and any services delivered from them) are developed, used and managed
- make communities stronger by enabling them to develop shared ambitions for their area, and a shared understanding of how it wants to achieve those aspirations
- help people acquire the skills, knowledge, contacts and confidence (ie, the social capital), as well as the physical and financial resources to achieve those ambitions.

Outcome 3:
Communities have services and amenities that meet people's needs better and are more accessible

We will invest in proposals that:

- help make community services and amenities more financially viable and stable, for example by developing their potential to generate income from different sources, or by reducing the costs associated with managing or running the asset
- enable local people to provide financially sustainable opportunities, services or amenities that are important or needed in the community. Communities can use their assets to do this in different ways; some services might be operated from an asset, others might be purchased by the community with income generated by the asset
- provide opportunities, services or amenities that are specifically designed to meet the needs and circumstances of people, in a financially sustainable way. This might mean local people in general, or it might mean particular groups within communities. Such groups

might include unemployed people, lone parents, carers, older people, women or minority ethnic groups. Communities do not always have to deliver these services themselves, but can for example contract others to provide them

- provide services and amenities that are more accessible. Communities might use or develop their asset to provide services, amenities or opportunities that are easier to get to, in a better location (for clients or for markets) or safer and more enjoyable.

(Note: we will not provide funding solely to enable communities to make buildings or assets comply with the Disability Discrimination Act)

Outcome 4:
People have more skills, knowledge and confidence, and opportunities to use these for the benefit of their community

We will invest in proposals that:

- use an asset to create opportunities that increase and build the range of skills, knowledge, contacts and confidence of individuals in the community
- provide opportunities to use these skills through employment or volunteering. For example, local people may be employed to deliver aspects of the project. They may also volunteer as members of the management committee or a steering group leading on a particular area of development
- in addition to more concrete benefits, also provide a source of demonstration and inspiration for local people and other communities. For example, an asset-based project could form part of a community-led learning network.

Outcome 5
Communities have a more positive impact on the local and global environment

We will invest in proposals that:

- enable communities to directly influence how natural resources are produced, utilised or sustained, for example through renewable energy projects
- enable communities to have a positive impact on the amount of waste produced, recycled or reused
- help reduce the impact of fossil-fuel powered transport, perhaps by increasing walking and cycling, or improve the efficiency of existing transport resources
- improve the amenity value (noise, air, quality, drainage etc) of the local environment
- provide a healthier environment for users through the careful selection of building materials and heating and ventilation systems.

Who can apply?

Our main objective is to see greater levels of community control and influence through greater levels of community ownership and development of assets.

Therefore we will only invest in proposals led by organisations that are:

- community led and controlled – membership of the organisation must be open to all community members, and a majority of people on the management committee or board must be from the community and elected by that community
- run by and for people within a defined geographical area (this will not normally be greater than one local authority area).

We can fund a range of different community-led organisations, including development trusts, companies limited by guarantee, community interest companies, locally-based housing associations, community co-operatives. We want to encourage proposals that generate profit, and we can fund organisations

that distribute profits, provided they are set up primarily for community benefit. Certain specific conditions may apply to the distribution of profits, and we will discuss these with you.

The organisations we fund must be controlled by individuals from that community. Some bodies will be made up of or contain 'organisational members' or representatives. We will only support organisations where the balance of membership, control and decision-making is clearly with individual members.

What kinds of projects will we fund?

Some examples of the types of activities we expect will help us meet our outcomes are:

- ▶ Acquiring land – this will also need to have an 'end purpose', which might include an opportunity for development of forestry, greenspace, nature reserves, localised food production, enable affordable housing or eco-tourism.
- ▶ Acquiring or developing buildings – this will need to have the potential to generate income for additional community benefit or be central to the delivery of a range of key services that support community life. Integrated or multi-purpose uses are more likely to meet our outcomes in this area. Buildings with a limited focus, such as meeting spaces or sporting provision only, are unlikely to help meet our outcomes. We would like to see proposals that mix economic and social purposes.
- ▶ Focussing on food – community orchards, food fairs or cafés that promote or develop local produce or that seek to make structured healthy diet interventions.
- ▶ Sustainability – renewable energy, waste and recycling facilities and sustainable community buildings (by design).
- ▶ Transport – footpaths, cycleways and sustainable forms of motorised transport that support community connections or activity.

What types of funding are available?

You can apply for funding for three different purposes:

Funding for technical assistance

This will enable you to take forward your preferred option after you have explored the feasibility of your project. It can cover detailed scheme design, planning and costing work, the cost of staff to work up your proposal, risk assessment and technical surveys, legal work, applications for permissions or authorisations, business planning and further training for your group.

Technical assistance funding can be from £10,000 - £200,000 and is available over 12 months. It can meet up to 100 per cent of your costs.

Funding for asset acquisition

This funding will enable groups to purchase assets including land, buildings, plant, equipment, vehicles and fixtures and fittings that are linked to land or buildings. Sums from £10,000 to £1 million are available, and only exceptionally more than £1 million. Funds should normally be spent within 12 months. In particularly strong cases – for example when a proposal demonstrates potential to generate

very strong outcomes, it is possible that we can meet up to 100 per cent of costs for this. However, in most cases we expect to see a community contribution of at least 5%. This helps demonstrate that the community is committed to the proposal.

Funding for asset development

This funding will enable groups to develop and improve or take on management of an asset that the community already owns. It could include capital funding to develop or improve assets so they are able to generate income or other benefits for the community. This could include building, renovation or other capital work. We can also provide revenue funding, including the costs of employing development staff or of developing the ability of the community to manage the asset over the longer term.

Between £10,000 and £1 million is available for asset development, and – in exceptional cases – more than £1 million. Funding is available over five years.

We will not provide 100 per cent funding for asset development because we believe bringing in

partnership investment to your project will make it more sustainable and enable it to continue after our investment is complete. In particular, we want to encourage you to consider how you could use your asset to generate income.

We will normally expect to meet no more than 75 per cent of revenue costs and 50 per cent of capital costs for asset development. However, these thresholds are not fixed. We will discuss these levels with you as you develop your proposal and funding application.

Individual funding packages

You may come to us seeking support and investment for asset acquisition, development or both. We will discuss your overall project with you, and discuss and negotiate a level of funding and financial package that is based on your individual circumstances and the potential of your project to contribute directly to the outcomes we have set out for Growing Community Assets.

What we can fund

In general, we will only fund the development of an asset if it is already owned by the community, or in the process of being acquired by the community.

We believe that in most cases direct community ownership is more likely to lead to the outcomes we want to see. Therefore we will only fund the leasing of an asset – or the development of a leased asset – if we are convinced that this is the best option for the community and will still achieve the outcomes we have set out for Growing Community Assets. In considering proposals where the asset is to be leased, we will encourage communities to explore the options for direct community ownership in the future. We will discuss the nature and length of any lease arrangement with you in detail.

What additional support is available?

We recognise that acquiring and developing an asset may seem challenging, and we want to help communities fully understand and work through the different opportunities and responsibilities such an enterprise entails.

Therefore we have put in place a specialist team, led by Highlands & Islands Enterprise and operating across the whole of Scotland, to provide advice and help at the different stages of an asset-based project. This includes:

- advice on becoming formally constituted, including guidance on the type of model that would best suit your community, your asset and your ambitions
- detailed advice on the types of support available through Growing Community Assets, and the application process
- contacts, advice and guidance at some of the technical stages that might be involved in acquiring an asset, for example using the community right to buy provisions of the Land Reform (Scotland) Act 2003, or how to obtain a market valuation

- advice and guidance on how you might develop your asset, including business options
- ongoing advice, guidance and support as you continue to manage and develop your asset.

The earlier we know about your idea, the better we can support you.

Making your application stronger

Please read this section carefully. It will help you consider if community ownership is the right option for you. It also sets out the kinds of projects we are likely to prioritise for funding, as it is probable that we will have more applications than funds available.

- ▶ With Growing Community Assets we want to increase community ownership and development of assets so that communities can use these assets to improve their livelihoods and neighbourhoods. We will invest in a wide range of asset-based projects, but we will prioritise proposals that will lead directly to a mix of financial, social and environmental outcomes.
- ▶ We will encourage all applicants to think about the financial viability – and potential – of their projects. For example, if it is primarily an ‘amenity’ asset such as a play area, village hall or a community meeting space, how will it be maintained and paid for in the longer term?

- ▶ We will prioritise projects where the applicant has identified ways in which the asset can be used to generate an income stream itself, increasing the resources available to the community to re-invest in further development.
- ▶ We will invest in both large and small-scale projects, and will work with applicants to explore the full potential of even the most modest of asset. We will prioritise projects where the applicant has a long-term vision for their community, and has clearly thought through and understood the role of the asset in achieving that long-term change.
- ▶ We want to see a wide range of assets brought into useful community ownership; for example, we don’t want to see communities burdened with expensive-to-run buildings that will drain resources and morale over time. Therefore we are unlikely to fund proposals where the longer-term running costs have not been understood or planned for.

► We strongly encourage all potential applicants to start by asking themselves what they want to achieve for their communities, and how owning and developing any particular asset will help them achieve those ambitions. True community involvement and support is essential to this process. In our assessment we will check that the wider community is in favour of your proposal. More importantly, taking the time to build and maintain community support and understanding is one of the most effective ways in which you can ensure the longer-term success of your project.

Promote equality

Your application will be stronger if your project actively promotes equalities. You must say in your application how your project can help us achieve equality. The best way is to think about the different needs and barriers for different people at every stage of planning, delivering and evaluating your project.

Think about the different people who might use your project and involve them in your consultation or needs analysis. Think about where you hold events and the role models you use in promotional materials. Think about who has a say over whether your project is viewed as a success.

You might be able to say something particularly positive about your proposal if for example:

- you aim to make a local amenity or environment safer and more accessible, especially for groups who currently have difficulty accessing it, for example women, older people, black and ethnic minority groups, or disabled people
- you plan to use an asset to make services or facilities more responsive to people with specific support needs, such as carers or young people.

Improve sustainability and the environment

Your project will be stronger if it helps achieve sustainable development. Sustainable development is about meeting the needs of today without affecting the ability of future generations to meet their needs also. It is about balancing the desire to improve quality of life now and the need to preserve resources for the future. You must say in your application how your project can help achieve sustainable development.

When planning your project, think about how it affects the environment: your use of resources like construction materials and paper, the energy efficiency of your building, the impact that the goods and services you buy have on the environment, whether events are accessible by public transport. Think about how your project strengthens the local economy: whether your

project increases investment in the local area, whether you can reduce on-going running and maintenance costs, and whether you support local services or businesses. Think about how your project meets social needs: how local people are involved in your project and who benefits from any new employment opportunities.

You might be able to say something particularly positive about your proposal if for example:

- the asset you are developing will increase the opportunities for local people to come together and make new and better relationships'
- your asset is built with locally produced natural or recycled materials, labour from a local employment training scheme, and runs on renewable energy.

Why we are investing in this area – the facts

- ▶ Communities which own or manage their own land or buildings tend to be stronger and more sustainable. Since the community buy-out of the island of Eigg, the population has risen by 18 per cent.
- ▶ Community owned and managed assets inspire confidence and greater participation in community life. The chance to own an asset gives communities a clear and simple reason to work together.
- ▶ Community-driven enterprises create new and improved services that meet local needs better.
- ▶ Community enterprise generates income and employment opportunities for the local community. Since the community buy-out of the island of Gigha, 25 full-time jobs have been created and eight new businesses have started.
- ▶ Community control of assets leads to a better approach to protecting and managing the local environment. People who live in an environment have the strongest interest in making sure it is well managed and developed.

We would like to invest in communities across Scotland to help them fulfil their potential in this way.

