



Inverurie
Heart of the Garioch

In trust

A report on a community initiative proposal for Inverurie

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1. Introduction

1.0 This document explores the concept of setting up a Community Development Trust in Inverurie. The Trust, if established, would be run by members of the Inverurie community for the benefit of the community.

1.1 The idea for the report emerged after a series of indirectly related events familiar to those who are involved in the voluntary sector.

1.2 These covered funding shortfalls, the requirement for affordable accommodation for community groups, the frustration of short term grant funding and the lack of a means of generating regular revenue.

1.3 The funding for this report was provided through the New Ideas Fund and the application was led by Gordon Rural Action on behalf of the Aberdeenshire Network of Social Enterprises.

1.4 The author of this report is Ranald Allan, an Inverurie son and former newspaper editor. He has worked the length of the UK and returned to Inverurie in 2001. Ranald manages Media Solutions (Scotland) and is involved in a number of local community initiatives.

1.5 The report is short and concise but during the research a considerable volume of reference material was

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gathered and this is available on request.

1.6 During the research for this report the author talked to a number of individuals and community groups and thanks them all for their time and acknowledges their valuable contribution and encouragement.

1.7 The author would particularly like to thank Linda Singer of Grampian Opportunities and Alison McLaughlin of Gordon Rural Action for their support.

1.8 Finally the author would like to thank and acknowledge the support of the Communities Scotland New Ideas Fund. The funding support made this document possible.

2.0 Summary proposals

2.1 To set up an Inverurie Community Development Trust. (ICDT). The ICDT should apply for charity status.

2.2 The main aim of the ICDT would be to develop funding streams to support community initiatives in Inverurie.

2.3 A priority aim would be to secure at least one building to be managed to produce an income stream which would contribute to the community support funds.

2.4 A second priority aim would be to register the charity for Gift Aid to obtain the Inland Revenue benefits from donations from tax payers.

2.5 A third priority aim would be to promote the concept of a new Inverurie Common Good Fund (ICGF) to be administered by the ICDT.

2.6 The ICGF would encourage Inverurie residents and businesses to make donations which would be distributed by the ICDT to support community initiatives.

2.7 The ICGF would also encourage Inverurie residents to make arrangements for contributions from their estates so reducing their estate tax liability.

2.8 All funding secured by the ICGF would be used to

Action plan

1. Identify a small group of people interested in assisting, on a voluntary basis, in the creation of an Inverurie Community Development Trust.
2. The team should include people with experience in business planning, voluntary work, charity management, building management and in identifying and accessing grant funding.
3. The team should also include experts to provide legal and financial advice and support.
4. Once the detailed proposal is complete it should be presented at a public meeting where the formation of the ICDT should be proposed & a management committee democratically elected.

support community initiatives in the town and be invested in initiatives which improve the local environment.

2.9 The ICDT would encourage the participation of community volunteers in developing its objectives but might also wish to employ in a part-time capacity.

3.0 Aims and Objectives

3.1 **The project aims** to raise awareness of the concept of a “community trust”, assess the community interest (at individual and organisational level) and assess the feasibility of securing assets to support future sustainable/incoming generating initiatives for community benefit.

3.2 **The Objectives are to:**

3.3 Raise awareness of the idea with possible beneficiaries and partners.

3.4 Gather information on similar activity within Aberdeenshire and wider areas.

3.5 Explore legal structures and alternative approaches assessing the impacts and outputs of these.

3.6 Explore how future activity could be resourced (eg sources of support and funding).

3.7 Report back making recommendations on the way forward based on an evaluation of the feasibility of the idea of an independent community group being set up to lead on larger scale community initiatives with particular focus on asset development.

Method

3.8 To raise awareness of the idea with possible beneficiaries and other partners.

3.9 Alternative legal structures will be considered including the

The next stage

1. Based on the findings of this work the second stage will be to bring together key partners.
2. This may be one group or more depending on the interests expressed in relation to current activity in the town. (eg Environmental, Arts, Heritage, Social Care, ICT, Employment of people disadvantaged in the labour market, learning and skill development).
3. Efforts will be made to clarify the different agenda which may exist and appropriate connections identified.
4. The trust that has been built up between groups through partnership related activity will have a key role in building confidence to take the idea forward.
5. Local groups and individuals already working within the community will be important to encourage others to get involved.

model of newer Community Interest Company.

3.10 Examples of successful community led initiatives to be identified in other areas.

3.11 Contact to be made with local and national support organisations to explore the level and type of support they can offer a Community Development of this type.

4.0 Research summary

4.1 This report does not duplicate material which is readily available online for download or in printed form. The references are provided as a useful source of additional information. (Available on request)

4.2 Research confirmed there are many organisations in the UK successfully managing buildings (assets) to generate funds to support other community activities.

4.3 Most organisations manage their assets to deliver a particular service or range of services to the community.

4.4 There is no single model that suggests itself for direct copying in Inverurie but there are a number of common features which should be adopted. (See panel)

4.5 On identifying groups nationally which were managing buildings a questionnaire was sent out. The response was poor. Of 35 forms sent out only 4 responded.

4.6 The research time involved in this project had to be limited due to understandable funding restraints. Completing the questionnaires by phone was not possible within the budget.

4.7 The ICDT and the ICGF concepts were outlined to a number of groups and discussed with a number of key figures in the town. (See sections 6-11)

Organisation features

- 1 **Charity status:** Having charity status does open up additional funding possibilities and the tax advantages associated with Gift Aid donations.
- 2 **Development Trust:** As a Trust the organisation becomes part of an established network with access to a large volume of expertise & exemplar material.
- 3 **Flexible contract:** If paid staff are to be involved it is vital to attract people with the right expertise. Because of likely financial limitations this is best done through task-based, not hours-based, contracts. (See Boyndie example)
- 4 **Lease or buy:** It is unlikely that any new trust would wish to be burdened with the cost of buying a property unless this is at a nominal figure. Long term leasing at nominal rates are common.
- 5 **Leasing:** Any leasing arrangement should ensure the property is in acceptable condition & that a building fabric maintenance agreement is in place with the owners (eg the local authority).

5.0 Inverurie responses - 1

5.1 **Provost Raymond Bisset:** Raymond is a former head teacher and is a long-standing local councillor. He is presently Provost of Aberdeenshire.

5.2 Raymond is enthusiastic about the idea of an Inverurie Community Development Trust and a new Inverurie Common Good Fund.

5.3 He made the point that the original CGF is now administered by the Garioch Area Office of Aberdeenshire Council and that it is used solely to administer the River Don & River Ury fishing.

5.4 He thought that if a case was made for an ICDT leasing particular council-owned buildings in Inverurie that this would be received sympathetically by the council.

5.5 He pointed out that the council was presently required, by the Scottish Executive, to obtain a commercial rate for council property being sold or rented but he felt that a special case could be made.

5.6 Raymond appreciated the problems caused by high property rents in Inverurie for community groups.

5.7 He pointed out that because of the high value of property & land in the town any vacant property was, usually, filled (or sold) quickly.

5.8 Aberdeenshire Council has leasing arrangements with

Response summary

Raymond Bisset

1. Supported concepts of ICDT and new ICGF.
2. Will support specific proposals in council & with Scottish Executive if necessary.
3. Is prepared to become personally involved.

community groups in other towns.

5.9 Raymond explained that such arrangements were often for properties which the council had been unable to lease at commercial rents.

5.10 He pledged support for the project (should it progress) and would be willing to be personally involved.

6.0 Inverurie responses – 2

6.1 Ian Fowell, Garioch Area Manager, Aberdeenshire Council:

Ian is the senior council official in Inverurie and manages delivery of council services in the Garioch area.

6.2 Ian was receptive to the idea of an ICDT and to the principle of such a group taking over the management of a council property.

6.3 He explained that the council would require to be convinced that such a group was capable of managing the specific building.

6.4 He made the same points as Raymond Bisset in relation to the Scottish Executive requirement on the council to lease or sell at commercial levels.

6.5 Ian agreed that a special case could be made for community use.

6.6 He raised the Inverurie Town Hall as an example of a property which might come under the management of an ICDT.

6.7 He emphasised that in the case of the Town Hall he doubted if the council would be prepared to sell or gift it to a trust but that a long term leasing arrangement might be possible.

6.8 He understood that there was growing concern in the community at the council selling off the “community birthright” (ie surplus land & property).

Response summary

Ian Fowell

- 1 Supported concept of ICDT.
- 2 Is prepared to assist with the development of an ICDT.
- 3 Will assist with support and information for specific building proposals.
- 4 Agrees that ICDT may be a solution to ongoing issues with the management and maintenance of some council buildings.

6.9 He explained that such sales were a requirement from Government and that the Council had to realise commercial value.

6.10 Ian agrees that an ICDT is likely to be able to take a more flexible approach to building management than the council.

6.11 Ian offered support to help develop the ICDT concept.

6.12 He identified two buildings in Inverurie which might be considered for leasing and management by an ICDT (other than Inverurie Town Hall).

7.0 Inverurie responses – 3

7.1 **John Sangster, artistic director of Maidenstone:** In addition to his work with Maidenstone, John is a member of Inverurie Community Council, chair of the Garioch Area Partnership and a member of the Help Light-up Inverurie committee.

7.2 John is fully behind the idea of an ICDD and an ICGF.

7.3 He believes it is the logical step in securing a positive future for the Inverurie Town Hall, the Wyness Hall and other, yet to be identified, council buildings.

7.4 John agrees with the flexible contract management concept (See section 4) and that it is likely to attract higher calibre applicants for any paid positions.

7.5 He knows of individuals and groups seeking low cost accommodation in Inverurie & agrees this is a major problem for community and arts groups.

7.6 John has long been a champion of Inverurie Town Hall & has argued and campaigned for its upgrading.

7.7 He is familiar with the Town Hall £4m development proposal from 2003 and accepts that it is unlikely to become a reality. (See section 8)

7.8 He agrees that a new plan must be prepared to protect and manage the Town Hall, and other council-owned buildings, for future community use.

Response summary

John Sangster

- 1 Supported concept of ICDD and ICGF.
- 2 Is prepared to assist with the development of an ICDD.
- 3 Agrees that ICDD may be a solution to ongoing issues with the management and maintenance of some council buildings.
- 4 Is prepared to be involved in the preparation of building management proposals.
- 5 Is prepared to be actively involved in specific aspects of building management should an ICDD be set up & successfully lease a building(s).

7.9 John is willing to be involved in setting up an ICDD and in preparing management proposals for specific buildings in Inverurie.

7.10 He is also prepared to be involved in the management of specific aspects of any building taken over by the ICDD.

8.0 Inverurie responses – 4

8.1 June Hidalgo, chair of Inverurie Town Hall Group and secretary of Gordon Forum For The Arts: June supports the concept of an Inverurie Community Development Trust.

8.2 Gordon Forum For The Arts reflects the enthusiasm for the arts in Central Aberdeenshire.

8.3 It has a membership of more than 43 organisations, 60 individuals, and 70 local businesses.

8.4 The Forum organises an annual art exhibition, in Inverurie Town Hall, and a range of other events - eg workshops and special projects.

8.5 The Town Hall Group represents users of Inverurie Town Hall. The group encouraged and participated in a report into the future development of Inverurie Town Hall published in Spring 2003.

8.6 The findings of the report were presented to a public meeting in 2003 and a recommendation from the THG accepted by a well attended public meeting.

8.7 Since then nothing has been done and the building continues to deteriorate.

8.8 The proposal involved building an extension on the side of the building. Cost estimates were approximated at £4m with the council's annual contribution to running costs more than doubling.

Response summary

June Hidalgo

1. Supports the concept of an Inverurie Community Development Trust.
2. Thinks it may be the best solution for the future of Inverurie Town Hall.
3. Is prepared to be involved.

For information on GFA visit:

www.gordonforum.org.uk

8.9 This plan is unlikely to ever be progressed. The council, despite repeated requests have failed to make any commitment to the refurbishment of the listed centrepiece building.

8.10 June feels that an independent ICDDT could be the answer to future management of Inverurie Town Hall (ITH) & other important community buildings.

8.11 An ICDDT would open up wider support for ITH and would be bigger than any single interest group.

8.12 June emphasised the importance of the involvement of local business expertise and experience in an ICDDT.

8.13 She would be prepared to be involved in such a group.

9.0 Inverurie responses – 5

9.1 **Mike Hebenton, chairman of Inverurie Community Council (ICC) and chairman of Help Light-up Inverurie (HLI):** Mike is a supporter of the concept of an Inverurie Community Development Trust.

9.2 He was involved in the early notional discussions before this report was commissioned.

9.3 Mike knows from first hand experience with the Christmas Lights campaign the strain of fund-raising, year after year, to maintain a community service.

9.4 He is also familiar with the accommodation issues – in the case of HLI the accommodation required is secure storage for the Christmas lights with workbench facilities to enable testing and servicing.

9.5 As the number of lighting units has grown in physical size and numbers, so has the accommodation requirement.

9.6 Mike believes the committees of ICC and HLI will support an ICDT and an ICGF.

9.7 He feels that an ICDT could provide a solution to developing use of Inverurie Town Hall, Wyness Hall, the old ATC Hut and other buildings yet to be identified.

9.8 If an ICGF drew financial support from businesses and individuals in the town then it

Response summary

Mike Hebenton

1. Agrees with the concept of an ICDT and a new ICGF.
2. Has first hand experience of accommodation problems.
3. Will support the initiative & feels that ICC and HLI will add support.
4. Emphasised that ICDT must not be the 'same old faces'. The trustees must have 'new blood' & fresh ideas.
5. Is prepared to be involved.

could ensure the future of many local community initiatives.

9.9 He agrees that an ICDT should focus on building management and fund generation to let community groups focus on delivering their services.

9.10 Mike is a champion of partnership working. Many groups have been involved in HLI and IEI.

9.11 Mike pledges support for an ICDT but also cautions that it is vital to have 'new blood' involved in the overall management of a trust.

9.12 The same, relatively small number of local people provide the backbone of many of the voluntary community services in the town – a Trust should not add to their load.

10.0 Inverurie responses – 6

10.1 **Thomas Tait OBE, local businessman and former owner of Inverurie Paper Mill:**

Thomas supports the concept of an Inverurie Community Development Trust.

10.2 He believes that businesses which have enjoyed success and prosperity in the town should give something back to the community.

10.3 An ICDT would provide the mechanism to enable donations to be received and used for the good of the community through support for community projects.

10.4 Thomas emphasized the added attraction of the tax benefits of the ICDT being a charity and registered for the tax benefits of gift aid.

10.5 He supports the idea of a new Inverurie Common Good Fund which would be managed by local people for local people.

10.6 People had to be confident the fund would not fall into council hands and be lost to the community.

10.7 An ICDT with a board of trustees from the community would be a guarantee of protection for the fund.

10.8 The combination of an ICDT and an ICGF would enable the “fathers of the community” to make a meaningful contribution to the future of Inverurie.

Response summary

Thomas Tait OBE

1. Supports the idea of an ICDT and a new Inverurie Common Good Fund.
2. Believes that business people should give donations to the community that has supported them.
3. Emphasised the tax attractions of giving to a local charity.
4. Would be prepared to be involved.

10.9 Thomas feels that the trend to bigger local authorities made decision making remote and unrepresentative of community feeling.

10.10 An ICDT, with a remit to manage buildings and generate funds to distribute, would help community groups to focus on delivering their services and reduce the energy spent on sourcing funds.

10.11 Thomas confirmed that he would be prepared to serve as a trustee of an ICDT if asked.

11.0 Background

11.1 Gordon Rural Action operates as a Council of Voluntary Services for the Central Aberdeenshire area. Since 2002 it has been involved with and held the funds for an Aberdeenshire Network of Social Enterprises.

11.2 "The Network" does not have an independent legal structure but operates through the participation of members with a volunteer Network Advisory Group coordinating activity.

11.3 The hub of Network activity has been in the Inverurie area leading to an increasing level of joint working involving community, voluntary, private and public sectors.

11.4 The Network feel that to successfully take forward a number of local initiatives to benefit the community there is now a need to set up an independently constituted trust or community interest company.

11.5 A number of organisations linked to the Network are keen to see enhanced partnership working and in particular the development of an income-earning asset base.

11.6 A property study, carried out in February 2005, looking at the idea of an Inverurie Voluntary Sector Resource Centre confirmed support for organisations to work together to achieve this. The missing link has been identified as a clear direction as to how this or similar

Main issues

1. Community projects on hold due to lack of funding and/or a suitable base.
2. Requirement for an income generating asset base (ie a building).
3. Particular problems associated with the perception that Inverurie is a "wealthy" town.
4. Need to have greater involvement from the business community to enhance community partnerships

partnership initiatives could be achieved.

11.7 Developing an asset base in a community which is perceived as well off is particularly difficult for community groups.

11.8 The benefit of a partnership approach ensures a sharing of skills and experience, opportunities to involve a mix of local people in the work and the potential to generate income to be applied to the social objectives to the benefit of the whole community and in particular those who are most disadvantaged.

12.0 Why a Development Trust?

12.1 The Development Trusts Association Scotland (DTAS)

supports and promotes the interests of development trusts across Scotland, which they define as an organisation that is:

- Engaged in the economic, environmental and social regeneration of a defined area or community of identity.
- Independent, aiming for self sufficiency, and not for private profit.
- Community based, owned and managed.
- Actively involved in partnerships and alliances between the community, voluntary, private and public sectors.

12.2 Q: Could you please give some suggestions which highlight the benefits of working through a new Trust rather than through other established organisations? We have many local volunteers who work successfully through established community groups. If we were to make changes we would need to ensure that establishing a Trust would actually improve efficiency without increasing demands on local volunteers.

A: If there are already established groups doing all the things that a community feels it needs done, then it may well be counterproductive to try to establish a new organisation.

However, it might be the case that the community has decided that it

**Angus
Hardie of
Development
Trusts
Association
Scotland (DTAS):**



The author is grateful to the Rural Gateway for this Q&A.

needs to find a different way of doing what it has done in the past. For instance, if the community has always relied on grant support to finance their activities, they may feel that this approach can't be sustained in the long term.

If the community decided that they wanted to establish an organisation that had the capacity to generate its own income by becoming involved in some trading activity, it may well be the case that a different type of organisation is required.

This doesn't always have to imply additional demands on local volunteers; it could just mean that volunteers have to do different things in a different way.

12.3 Q: I am part of a Steering Group looking to set up a Community Development Company. What is the best advice you could give to such a Group?

A: There is no right or wrong way to go about this. However there are probably some pitfalls to avoid and some lessons borne out of painful experience that other development trusts would want to share with you.

- Think about who and where your community is – remember people may not see themselves as one community
- Develop a plan. As a successful development trust you will be becoming involved in activities that deliver social, economic and environmental benefits to your community. Make sure it is communicated to the wider community.
- If you have lots of ideas for things you want to do, prioritise them and decide what you should do ‘now’, ‘soon’, and ‘later’
- Identify opportunities that could develop into an enterprise. Remember that you are aiming to become an independent, enterprising and self sufficient organisation.
- Take a balanced approach. Think big, but don’t overstretch yourself. Be optimistic but assume the worst. Value the process of making things happen, as well as what you produce.
- Look for potential partners. Talk to local agencies, other organisations who are involved in the same issues that concern you. Identify opportunities to work together with others.
- Go and visit other communities who have done similar things. Learn from others.

12.4 Q: What do you see as the main benefits of setting up a Development Trust in a community?

A: Communities that have successful development trusts enjoy a broad range of benefits, some flowing directly from the work of the

development trust and others that are less obvious.

First and foremost, an effective development trust enables a community to plan and tackle local issues in a way that can be sustained in the long term.

If a community is not over-reliant on short term, project based grant funding and instead is able to generate its own income from its own trading activities, it also acquires a degree of independence, flexibility and control over what shapes the quality of life in that community.

Development trusts are based on the principles of community self help and self reliance. Where there are effective development trusts, people tend to identify more keenly with their community, they feel more committed towards the place where they live and develop stronger connections with other local people. In short, development trusts help to build stronger and more stable communities.

12.5 Q: Do Development Trusts rely on volunteers to achieve their objectives?

A: It varies hugely. In some the only volunteering is the directors or trustees who manage the work of the trust and they employ staff to deliver much of the work.

In others there is a real emphasis on volunteering and a requirement for local people to give of their time at all levels of the trust’s activities.

12.6 Q: I have concerns about the growing dependence of rural communities on grant and public funding, and the mushrooming network of Development Trusts appears to be at the forefront of this. Where these entities become directly involved in what might be termed "business" activities is there not in danger of adversely affecting the sustainability of local commercial trading entities.

A: I think it is precisely because of this concern about over dependence on grant funding that so many communities are now setting up development trusts.

The overall grant pot is dwindling fast and more and more communities are waking up to the fact that they need to find other ways of generating funds so that they can achieve their objectives.

Grants are fine in terms of providing short term or one off funding for projects and undoubtedly grants will continue to be a vital source of income for development trusts for some time yet.

However, it is important to remember that development trusts aim to become financially sustainable in the long term and in order to do that they need to become involved in activities which can generate significant levels of income for the community.

Very often this entails the trust acquiring assets – local land or buildings and developing these in such a way that provides income for the trust and new and valued

services or facilities for the community.

As for the issue of whether development trusts represent some kind of commercial threat or unfair competition to local business I can't think of a single example of when this has occurred.

It just wouldn't make sense for a development trust to weaken its own local economy by squeezing private business. And even if a development trust wanted to, if it is in receipt of public funding there are EC rules which apply to how State Aid can be used which are designed to limit the extent of any unfair competitive advantage.

More often than not, a development trust's actions are in response to market failure of some kind – where either the public or private sector or both, have failed or been unwilling to deliver a vital service or facility to a community.

Without the development trust's intervention the community would have had to settle for losing that amenity and many shops, community centres, post offices and other vital services simply wouldn't be exist without the action of a development trust.

12.7 Q: What conditions are in place for groups interested in joining your association - and what benefit do they get from joining it?

A: We have three categories of membership. Full membership is

open to any group that fits the description of a development trust.

The only condition is that we ask the group to be prepared to share their knowledge and experience with others and generally participate in the activities of the Association.

For a very reasonable membership fee, there are many benefits to be gained. First and foremost of these is that you have access to the wealth of experience and expertise that lies within the network of members - not just in Scotland but across the UK.

Other benefits include access to small grant funds or packages of support which are restricted to members of DTAS, information about other funding that is available more widely, subsidised rates for attendance at regional and national seminars and conferences, publications and briefing papers, e-bulletins and website, subscription to trade journals, a members' insurance scheme, and finally, being part of a national body that is there to represent your interests and campaign on your behalf.

Provisional membership is aimed at community groups that are not yet fully operational as development trusts but are committed to become one. Provisional membership lasts for a year and carries the same benefits as a full member.

At the end of the year, hopefully the group will have made sufficient progress to be accepted as a full member. Provisional membership is free.

Associate membership is open to individuals, groups or organisations who support the aims of the Association.

12.8 What is the best example you can cite of the work of development trusts in Scotland?

A: Unfair question! We currently have 63 members stretching from Shetland down to Dumfries and Galloway. Each one doing great work within their own communities.

12.9 Q: More and more people are talking about Asset-based Community Development. What's the DTA's view on this approach?

A: The correlation between a growing a strong asset base (taking ownership of land or buildings) and sustainability lies at the heart of the development trust approach to community regeneration.

The many examples of community land initiatives supported by the Scottish Land Fund are a testament to the hugely positive impact that asset based development by communities can have.

When communities are encouraged to take on local assets and they are able to manage these effectively, all the experience suggests that these communities become more sustainable both in terms of their ability to devise and deliver practical action in their neighbourhoods and in being able to harness the commitment and skills of local people.

We are absolutely committed to this approach and we see it as the most effective way of achieving long term and sustainable improvement in the quality of life at a neighbourhood level.

12.10 Q: Community and development trusts are often not well understood by the local community. Membership levels can be very low. There may be a suspicion that directors are getting something out of them. How do we get people to join, to take part and recognise their value in community development?

A: One of the defining characteristics of a development trust is that it is owned and managed by local people. Typically, membership of a development trust will be open to every resident within that community and it is the membership that elects the management committee or Board of Directors.

In the early stages of a development trust's life when there is a real sense of excitement and anticipation of what is going to be achieved, levels of active participation in the work of the trust can be very high.

Unfortunately there is no quick fix for many of the issues that development trusts try to tackle, and often a lack of obvious progress can result in some sections of the community losing interest or confidence in the development trust's ability to deliver.

I know this is a serious issue for many development trusts and many

of our members have tackled it in highly imaginative ways.

Two pieces of general advice:

1. Make the most of the early levels of interest and enthusiasm. When you are drawing up your local plan and deciding what your priorities are, make sure that you have consulted widely, held planning days, talked to people in the street, publicised any events that you hold as widely as possible.

During this process make it known that you will be looking to recruit members when set up and get people to express their interest in joining.

Once the development trust is up and running, don't stop recruiting members. Make it part of what you do all the time.

Find different ways of communicating with your members - even (especially) with those in the community that have decided they don't want to join.

There are lots of ways to get your message across and they don't need to cost a great deal of money. Make it a priority to let your community know what you are doing.

2. Make sure that you set yourself some tasks that you know you can achieve in a reasonable timeframe - quick wins are important. It lets the doubters know that you mean business and it's good for everyone's morale!

12.11 Q: What are the real consequences of applying for limited company/charity status, trust status or as a development trusts? Can organisations change status?

A: This is an area that seems to cause more confusion than any other. The term ‘trust’ is partly responsible for this because it is used widely and not always in the strictly legal sense of the word.

A development trust, for instance, is not a trust in any legally recognised sense, and is an example of that term (trust) being used to convey a sense of purpose or an approach.

A development trust is simply a generic term that has been coined to describe an organisation that undertakes certain tasks in a certain way (as described at the top of my answers).

In practice, most development trusts take the legal form of a Company Limited by Guarantee and many also seek to become a registered charity. If you expect the organisation to be trading you may need to consider setting up a wholly owned trading subsidiary.

However that will depend on a number of things, one of which is whether the trading activity is in itself charitable. There are many other factors to consider in relation to this and, again it is reasonably complicated.

Contact points

Rural Gateway can be accessed at: www.ruralgateway.org.uk

Development Trust Association Scotland (DTAS) can be reached at: www.dtascot.org.uk

The author is grateful for the support from both organisations in the preparation of this report.

Getting legal advice in this area can also be expensive and we think that some of this cost can be avoided.

To this end we have produced a guidance note which will take a development trust through some of the issues and the process of setting up a trading subsidiary.

12.12 Q: What would Scottish political-economist Adam Smith have to say about community owned enterprise?

A: It is a little known fact that there is a missing chapter to “Wealth of Nations” titled “And When The Market Fails”. In this he extols the virtues of community enterprise generally and in particular for its ability to create wealth that is not for private gain but for wider social and community benefit.

A full list of Development Trusts in Scotland appears in the reference files.

13.0 Accommodation gap

13.1 In 2005 a report sponsored by Aberdeenshire Council, Langstane Housing and Gordon Rural Action, carried out a survey of accommodation needs among voluntary sector groups in Inverurie.

13.2 The survey also asked groups about their willingness to share accommodation with other community groups.

13.3 The report assessed the leasing costs of available property in the town at that time and confirmed that commercial prices were beyond the reach of community groups.

13.4 Many of the community groups' preferences were for town centre premises with disabled access. At that time few of the groups felt that sharing offices/premises was a workable option.

13.5 The 2005 report is available. The accommodation survey has not been repeated for this report as the situation has not changed dramatically.

13.6 Since that report a number of "homeless" groups have found accommodation within the town – eg Grampian Opportunities, Momentum, Inverurie Business Association, and Inverurie Environmental Improvement Group (this is not a definitive list).

13.7 Groups identified in (13.6) share some facilities and are a good illustration of how costs and resources can be shared.

2005 property report highlights

1. Accommodation issues for community groups identified.
2. Town Centre location regarded as essential.
3. Edinburgh former school example may show way forward for Inverurie.

13.8 The 2005 report identified two possible solutions to the voluntary sector accommodation problem – one was "new build" but, because of property and land costs, this would be located out of town and would not be acceptable to many groups.

13.9 The second possibility was suggested by a facility in Edinburgh, Norton Park. This was a former school which was taken over by The Albion Trust and renovated to provide accommodation for a range of voluntary sector groups.

13.10 The building provides a home to organisations and also offers shared facilities – conference & meeting rooms etc. The ownership of the building was transferred to the trust.

13.11 The refurbishment of the building was mostly funded by local government, National Lottery and Historic Scotland (Norton Park is a listed building).

13.12 This example may provide useful lessons for an ICDDT.

14 Norton Park

14.1 Norton Park School was surplus to the requirements of Lothian Council. The Albion Trust was formed, primarily to oversee the redevelopment.

14.2 There was a identified need for central accommodation in Edinburgh for groups operating in the voluntary and charity sectors.

14.3 The Trust raised £3 million from 10 different sources to support a broad range of community services to be housed in the building.

14.4 Norton Park now provides 30,000 sq ft of office space; houses 27 different voluntary and charity organisations.

14.5 250 staff are accommodated in the former school buildings.

14.6 Imaginative and innovative design has increased the lettable space and reduced the energy costs to run the building.

14.7 The Tudor Trust provided major funding for the project & also funded the Albion Trust to employ a director to take the project forward.

14.8 It took five years to complete the transition from school to the present facility.

14.9 The accommodation at Norton Park is fully let.

14.10 The Albion Trust through Norton Park and other activities follow a strong environmentally friendly agenda.

Learn from success

1. It took five years to organise the takeover, refurbishment and change of Norton Park from dis-used school to community business centre.
2. Albion Trust had a clear sense of purpose and a small team of trustees.
3. Funding for the development came from a large number of sources.
3. Albion Trust offers advice and assistance to community groups taking over building management.

Contact:

Tel: 0131 475 2400

Email: at@albiontrust.org.uk

Web: www.albiontrust.org.uk

14.11 Albion Trust has set up the Scottish Charities Warehouse to receive, refurbish and recycle or sell furniture, mostly from offices.

14.12 The SCW reduces the furniture going to landfill and provides lowcost office furniture to voluntary sector groups. It also generates revenue.

14.13 The scheme offers technical training, support and employment to young offenders/trainees.

15 Boyndie Trust

15.1 The Boyndie Trust manages the Boyndie Centre, a former Aberdeenshire Council village school.

15.2 Boyndie, near Banff, is now a visitor centre offering training opportunities to adults with special needs.

15.3 The Boyndie Trust is a charitable trust that, in partnership with Aberdeenshire Council Social Work, provides training and employment through re-skilling and promoting self-worth and integration into the local community.

15.4 The Visitor Centre opened in May 2004 and consists of a garden, restaurant, gift & craft workshops & shop.

15.5 Most of the day to day work is done by over 60 adults with special needs (not all there are the same time).

15.6 A number of specialist staff employed by the Council Social Work Dept work at the centre with the trainees.

15.7 The centre, with its excellent restaurant, is very popular and has received a 4 star award from the tourist board.

15.8 The Boyndie Trust took ownership of the school from Aberdeenshire Council. It ceased use as a school in the '70s but had operated as a day centre.

15.9 A substantial new building development took place before the centre opened in its present form.

Learn from success

1. Boyndie Centre is run by a Trust made up of local people.
2. The centre is, in effect, owned by the community & enjoys great support.
3. The training provision delivers approx one third of the Centre revenue
4. The Centre draws visitors to the area.

15.10 Funding for the centre came from a number of sources. This was one-off funding. The Trust is self-sustaining.

15.11 It receives no ongoing grant funding but earns income through a contract with Aberdeenshire Council. Other income comes from the sale of goods and services.

15.12 The building extension and refurbishment cost £750,000. £600k of this came from grant.

15.13 Last year the Centre made a small profit after adding £20k to its reserve fund.

15.14 The Trust has a small board of 9 trustees with a mix of skills. There are also some local "retained professionals" the manager can consult when required.

15.15 The centre is managed by an experienced business manager. He is not employed full-time by the project.

16.0 Auchencairn Initiative

16.1 The Initiative was established in August 2001 when the Community Council recognised that, because of its Constitution, it was not able to access funds from Government and other bodies to carry out improvements for the benefit of the village.

16.2 The Scottish Parliament encourages local communities to identify local needs and to apply for the funds to carry out the work needed.

16.3 The community now has an organisation with a suitable Constitution and elects a management committee of eight each year.

16.4 The first two projects were undertaken to help increase the number of visitors to the village - a website and a tourist brochure for the village.

16.5 The third project was to provide a building and fit it out for the village Post Office. Although the village had this facility the lease on the premises was due to expire and no other building was available.

16.6 This was undertaken in two stages, initially to provide temporary accommodation so continuity was not lost. The village is now the proud owner of its own Post Office.

16.7 Initiative then obtained funding for a business plan, to purchase a site and build a

Learn from success

1. This village is much smaller than Inverurie but successfully set up an enterprise to achieve benefits for the community.
2. The organisation structure changed to meet local needs.
3. Now owns & manages buildings & invests in community amenities.

Visit:

www.auchencairn.org.uk/ai.htm

permanent Post Office and Enterprise Centre in the village, and were recently granted £24,212 from the Land Fund to carry this out.

16.8 Since the responsibility of the Initiative is growing with the acquisition of property it has decided to become a Company limited by guarantee with charitable status.

16.9 Other projects include the provision of children's swings in the play area and to increase the footpaths for visitors and residents.

16.10 Membership of the Initiative is open to anyone with an interest in the village although the projects must be based within the Parish.

16.11 When the interests of the village are served by projects outside the Parish area the Initiative works with similar organisations in the area.

17.1 Wester Hailes Land and Property Trust

17.1 Wester Hailes Land and Property Trust (LPT) was set up in 1989 to promote the development of land and assets to the benefit of the local community.

17.2 In addition, LPT provides a property management service to other community groups.

17.3 LPT currently manages in excess of 80,000 square feet of modern commercial space.

17.4 The Company has a well established, successful relationship with Edinburgh Council, the success of which is demonstrated by the development of Hailes Park and Dumbryden Industrial Estates, which form the backbone of LPT's portfolio.

17.5 In addition, the LPT has advised on major development issues such as the Wester Hailes Town Centre and Sports Centre proposals.

17.6 Currently it is the only community organisation in Wester Hailes with an economic development remit.

17.7 LPT has been operating as a self-funding organisation since March 1997 prior to which it received financial support through the Urban Programme.

17.8 Its assets now include properties used to deliver a range

Learn from success

1. Where there's a will, there's a way. LPT were not put off by the scale of the task.

Wester Hailes Land and Property Trust, 17, Hailesland Place, Edinburgh EH14 2SL

Tel: 0131 - 442 - 3240

of services from childcare to a veterinary practice and a shop.

17.9 By continuing to develop in this way, the trust hopes to provide a lasting legacy to the people of Wester Hailes.

17.10 LPT currently manages property worth £2m and is negotiating the purchase of the Headlease on another property worth £1.4m bringing the value of the portfolio managed to £3.4m.

17.11 The Company is also in the final stages of negotiating the ground lease from its local council for a plot of land extending to 0.4 acres adjacent to the Town Centre's retail and leisure centre.

17.12 The Council has secured consent from the Secretary of State to transfer the site to LPT on a 125 year ground lease at a rental of £1 per annum. When completed the development should be worth between in excess of £3.5m.

17.13 The site will be pre-let to Lothian Healthcare Trust and will include Chiropody, GP, Social and Dental services.

18.0 Our Right to Buy

18.1 The Scottish Parliament recently granted community groups the Right to Buy council owned land or property at favourable rates.

18.2 This legislation followed concern being voiced at all levels at the tendency to sell to the highest bidder thus depriving communities of land & property for short term financial gain.

18.3 The Right to Buy can be exercised at favourable terms for community projects. This protects the “community birthright” for future generations.

18.4 An Inverurie Community Development Trust with funds would be in a position to protect the “community birthright” for future generations of Inverurie residents.

18.5 Financial and political pressures have created a climate where councils have been encouraged to dispose of non-essential assets (ie land and buildings).

18.6 Many would argue that councils have let their communities down by failing to protect, refurbish and develop properties & land they own “in trust” from previous generations.

18.7 The Community Right to Buy (CRB) covers buildings, salmon fishings and mineral rights – providing these are an accessory to land being purchased.

18.8 Communities must register an interest with the

Scotland leads

1. Scotland leads the UK with the Right to Buy legislation. England is about to introduce similar legislation.
2. The Right to Buy does not just cover council owned land and property. The community of Neilston, East Renfrewshire, used the legislation and is buying a former bank building.
3. This is the first use of the new legislation to purchase a commercial building.
4. The building will be a social enterprise providing affordable offices for community groups & start-up businesses.

Scottish Executive before land (buildings etc) goes on sale.

18.9 The community plans must prove that the asset is to be used for community benefit and that the plans have support from local residents.

18.10 Once a community has received approval of its plans from the Scottish Executive the land or building is protected under the Land Reform (Scotland) Act and must be offered to the community at a reasonable price before going on the open market.

18.11 The community then has six months to raise funds and complete the purchase.

19.0 Inverurie Community Development Trust

19.1 If a Community Development Trust receives support and is set up in Inverurie it must have a clearly defined purpose.

19.2 It should concentrate on obtaining and managing assets for the benefit of community groups in Inverurie.

19.3 The community groups would manage their own affairs and development plans and would approach the ICDDT to assist with the provision of accommodation and/or funds for identified projects.

19.4 The maximum use of volunteers would be essential to making ICDDT asset management cost effective.

19.5 It would be vital that the ICDDT is not perceived as a competitor to commercial business in the town as the full support of the business community will be essential to success.

19.6 The ICDDT trustees (probably through an administrator) would need to develop an understanding with the local area office of Aberdeenshire Council and local councilors.

19.7 Council support for ICDDT initiatives will be particularly important where applications have to be made to the Scottish Executive.

19.8 The promotion and development of a new Inverurie

ICDDT in operation

This report merely aims to raise the potential of an ICDDT (and ICGF) and encourage consideration of the concept. The trustees will decide the form.

Common Good Fund will be a key part of the ICDDT strategy.

19.9 Depending on the final form of the organisation it could be that the ICGF purchases assets to be managed by the ICDDT.

19.10 Support and long term commitment from professional companies in Inverurie will be important to the project.

19.11 Such support would secure the long term continuity of the ICDDT and the ICGF.

19.12 Where services incur costs (eg project facilitator) it will be important to secure these on a results-led, contract basis (see Boyndie example) as opposed to full-time salaried positions.

19.13 Larger employers in the town may be persuaded to release staff to assist on ICDDT projects as part of internal development programmes.

19.14 Inverurie has a number of strong fund raising and community project support groups. It is hoped that these groups would support both the ICDDT and the growth of an ICGF.

19.15 The ICDDT would require a central, operational base.

Buildings which might be leased & managed by an Inverurie Community Development Trust

| | |
|--|---|
| <p style="text-align: center;">Inverurie Town Hall</p> <p>a) This building is in a sorry state at present. A proposal in 2003 to develop the building is unlikely to ever receive funding.</p> <p>b) The development cost could be massively reduced if the proposed extension is removed. The extension was to house an expanded library.</p> <p>c) If the library was to be housed elsewhere the extension would not be necessary.</p> <p>d) The building could be refurbished & become home to a number of community groups.</p> <p>e) If upgraded then many more events could be held in the building</p> | <p style="text-align: center;">Wyness Hall</p> <p>a) This building is not fully utilised – it could be in daily use.</p> <p>b) The building is not promoted except when events are taking place there.</p> <p>c) Part of the building is used for local court hearings.</p> <p>d) Parts of the building are available for hire by local groups but it is very much an occasional venue rented out by the council.</p> |
| <p style="text-align: center;">Market Place School</p> <p>a) At some time in the future this building will cease to be required as a school.</p> <p>b) When that date comes it is likely to be sold for housing development.</p> <p>c) The building could be run as a living arts & craft centre and managed by a development trust.</p> <p>d) The building could have a range of exhibition areas.</p> <p>e) As a living arts & craft centre it would provide an important home to the town's arts community and a major tourist attraction for the town.</p> | <p style="text-align: center;">Other possibilities</p> <p>a) The council owns various areas of land in the town. If sold for private development the land is lost for ever to the community.</p> <p>b) An ICDT could identify buildings & land likely to become available and under "Community Right to Buy" legislation possibly purchase – if a viable community use can be identified.</p> <p>c) Funds will be essential to such plans and a new Inverurie Common Good Fund would enable residents to make donations from their estates to be spent on developments for the benefit of future generations.</p> <p>d) An ICDT might also take on the management of buildings owned by other community groups so freeing them to focus on services.</p> |

**This report has been researched and written by Ranald Allan of
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If you have knowledge of a building or land or an idea which could be developed by an ICDT
then write to Ranald or email: scotmedia@btinternet.com