

An introduction to community assets



Overview

There are many issues to consider when starting on the journey to acquire an asset for your community. This document sets out the main ones and where to go for more information. It contains a glossary of common terms used when talking about community assets.

Starting Points

Setting up an appropriate organisation: A suitable organisation is needed to be the legal owner of the property. This can be an existing organisation or a new one set up for the purpose, depending on circumstances and the aims of the project. The most appropriate organisational and governance structure will depend on several factors including the needs and aspirations of the community, whether you plan to use the Community Right to Buy or Asset Transfer legislation, your planned activities and how you intend to raise start-up finance. More information can be obtained from your local TSI (Third Sector Interface) group and the other organisations listed in this sheet.

Forms of asset acquisition: Communities can acquire land or assets to meet their needs through ownership, lease or other arrangements such as a management agreement. In many cases it will be clear which of these is appropriate or possible. If you have the potential to decide, consider the pros and cons of each option; a lease or management agreement can be a good option to test an idea prior to ownership. On the other hand, securing funding to develop an asset can be easier if the community has the security of tenure granted by ownership.

Routes to ownership:

Buying land or a building is conventionally achieved through purchase on the open market or by negotiation with the owner. Legislation in Scotland now gives communities additional ways to secure the purchase of capital assets.

The two main options are:

- i) Community Asset Transfer – enables a community group to apply to take control of land or buildings owned by a public body through ownership, leasing or a management agreement.
- ii) The Community Right to Buy – enables community organisations to register an interest in specific buildings or parcel of land. If that property subsequently comes on to the market the community will have a pre-emptive right to purchase.

Less used options are:

- iii) The Right to Buy Land to Further Sustainable Development – gives community groups the opportunity to apply for the right to buy land and/or associated assets to further sustainable development. The application must demonstrate why the proposal is in the public interest and how it will result in significant benefit to your community. This is an absolute right that, if granted, does not depend on the owner offering the land for sale.
- iv) The Community Right to Buy Abandoned, Neglected or Detrimental-Land. This gives community bodies the right to apply to make a compulsory purchase of land and other structures which have been abandoned, neglected or if the current use is causing harm to the environmental wellbeing of the community.

Developing proposals for asset acquisition: It is important to test local support for the project and consult with the community about how the asset is developed and used. Keeping people informed of progress will help. The ideas and plans generated can be built into a business plan. This will provide a route map for achieving community ambitions and show how funds will be generated to cover running costs. A valuation of the property is likely to be needed by funders. Further advice is given in the HIE Ten Steps to Community Ownership. Other sources of information or support are listed in the table below.

Funding

Scottish Land Fund: Funded by the Scottish Government, delivered in partnership between the National Lottery Community Fund and Highlands and Islands Enterprise. Provides grants to communities to plan assets projects and covers acquisition costs.

Funding Scotland has a searchable list of funding available in Scotland.

Community Ownership Fund (COF): Funding from the UK Government to help communities retain buildings and facilities. Community groups can bid for up to £250,000 to help buy or take over local community assets at risk of being lost, to run as community-owned businesses.

Sources of Information and Advice on preparing an asset project

Organisation	Resource	Community Focus	Case Studies	Technical Information	Networking Opportunities	Funding information
<u>South of Scotland Enterprise</u>	The enterprise agency for Dumfries & Galloway and Scottish Borders. Provides one-to-one support and mentoring for project development and implementation.	✓	✓	✓	✓	✓
<u>Highlands and Islands Enterprise</u>	<u>Ten Steps to Community Ownership</u> is detailed guidance on developing a community asset-based project from initial set-up to entry date. Includes videos, case studies and templates.	✓	✓	✓		✓
<u>Community Ownership Support Service</u>	Provides support and advice for community organisations wishing to take on and develop an asset. Has factsheets, tools and webinars as well as publications on a range of topics relevant to asset acquisition and management. Gives details of the Community Right to Buy and Asset Transfer processes.	✓	✓	✓		
<u>Community Land Unit, Scottish Government</u>	Provides advice on using the Community Right to Buy including the forms relating to sustainable development and abandoned and neglected land. Processes applications to use the Right to Buy.			✓		
<u>Community Land Scotland</u>	A membership organisation established to give a collective voice to community landowners in Scotland. Provides support to aspiring and established community landowners.	✓	✓	✓	✓	✓
<u>Third Sector Interface (TSI): Third Sector Dumfries and Galloway & Borders Community Action</u>	The TSIs provide advice and support as well as local knowledge to third sector organisations - charities, community groups, development trusts, social enterprises and the volunteering sector. They can provide help on setting up, governance and funding amongst other topics.	✓	✓	✓	✓	✓

Sources of Information and Advice on preparing an asset project

Organisation	Resource	Community Focus	Case Studies	Technical Information	Networking Opportunities	Funding information
<u>SCVO</u>	The national membership organisation for the voluntary sector. Has lots of advice on setting up a not-for-profit organisation, including an introduction to different legal structures, templates for different constitutional forms and a range of sample policy documents. Offers training courses.			✓		✓
<u>Community Shares Scotland</u>	Specifically for organisations wishing to raise funds through a community share offer. Has an interactive guide you through the process of issuing community shares	✓	✓	✓		✓
<u>Development Trusts Association Scotland</u>	A membership organisation for community organisations that fit the development trust model. Offers a range of member benefits and technical publications.	✓	✓	✓	✓	

Other relevant organisations and sources of information

Organisation	Resource	Community Focus	Case Studies	Technical Information	Networking Opportunities	Funding information
<u>Scottish Land Commission</u>	A public body that conducts research on land issues in Scotland. It makes recommendations to Scottish ministers on legislation and policy change on reforming land rights, land markets and on responsible land ownership and use.			✓		
<u>Scottish Community Development Centre</u>	Supports community development projects. Delivers large scale programmes, support public agencies and to encourage participation in local democracy.	✓				
<u>ONS – Office for National Statistics</u>	Provide statistics on a range of topics across the UK.			✓		
<u>SIMD – Scottish Index of Multiple Deprivation.</u>	Provides a relative measure of deprivation across Scotland using 7 indicators: income, employment, education, health, access to services, crime and housing. It is the Scottish Government's standard approach to identifying areas of deprivation in Scotland.			✓		

Other relevant organisations and sources of information

Organisation	Resource	Community Focus	Case Studies	Technical Information	Networking Opportunities	Funding information
<u>SCOTPHO – Scottish Public Health Observatory</u>	Provides statistics and information on public health in Scotland. Statistics and information can be broken down into local area.			✓		
<u>CEIS – Community Enterprise in Scotland</u>	Supports social enterprise in Scotland, including funding, and support for communities and relevant projects.	✓	✓		✓	
<u>SCOTLIS – Scotland’s Land Information Service</u>	Allows users to find property owners, property prices, to buy property documents, and check if a property is on the land register.			✓		

Glossary of Common Terms

Asset Transfer or Community Asset Transfer: Refers to the process whereby a community transfer body can request to buy, lease or manage land or buildings owned by a local authority, the Scottish Government or other public bodies. The community body must demonstrate how it will provide additional benefit for the community as a result of the transfer. There are certain requirements a community organisation must meet to be called a community transfer body and apply to use the Asset Transfer process.

Common Good Assets (CGAs): Assets held by local authorities – usually property – in the name of the common good. Use and disposal of such is regulated.

Community Action Plan (CAP): Drawn up by the community to identify local needs or gaps in services and facilities and set a strategy for developing locally led projects. Can be an informal process but with broad community involvement at the centre.

Community assets: This is a broad term that can cover land, woodland and buildings, as well as associated assets such as sporting rights and energy systems, that are under the control of community-led organisations.

Community Asset Transfer Scheme (CATS): Is the asset transfer scheme specifically relating to land and buildings managed by Forestry and Land Scotland.

Community Benefit or Community Benefit Funds: It has become common, but voluntary, practice for companies developing wind farms in Scotland to make annual donations to a local community benefit fund. The fund will be available for projects within the local community or communities most impacted by the development. The Scottish Government has published Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments. This promotes transparency in the process and provides a practical guide for those involved.

Community Body (CB): The term used for a community organisation that meets the requirements of the Community Right to Buy legislation, enabling it to apply to register an interest in and purchase land.

Community Empowerment (Scotland) Act 2015: Several provisions in this legislation extend the rights of communities to acquire assets, including expansion of the Community Right to Buy, introducing Community Asset Transfer and further developing the landscape around community planning.

Community needs assessment: An assessment of facilities, services and other provisions in the local community to identify existing gaps or lack of capacity and how these can be filled. Can be used to identify the role of community assets in enabling local service delivery.

Community Right to Buy (CRtB): This legislation enables communities in Scotland to apply to register a community interest in an area of land. If that land is subsequently offered for sale, the community has a right of first refusal to purchase it.

Community Right to Buy Abandoned, Neglected or Detrimental Land (CRtB ANDL): Gives community bodies a right to compulsorily purchase land and associated built structures that are abandoned or neglected or that is actively causing environmental damage to the community. It does not apply to land where there are residential homes in use, croft land, or land used by the Office of Queen's and Lord Treasurer's Remembrancer (QLTR).

Community Right to Buy to Land to Further Sustainable Development (CRtB Sustainable Development): Enables communities to apply to purchase land in order to further aims of sustainable development. The application must demonstrate how the change in ownership will provide substantial benefit to the community and, if it is successful, a compulsory land sale will follow.

Glossary of Common Terms

Crofting Community Right to Buy (CCRtB): Gives crofting communities the right to acquire and control the croft land where they live and work. Applications do not depend on the land being for sale.

Local Place Plan (LPP): LPPs were introduced by the Scottish Government in 2021. They enable a community to prepare a plan for the development and use of land focused specifically on the local area, using local knowledge. It is hoped that the process will stimulate and encourage debate about the future of the community its aspirations and needs. Completed LPPs can be registered with the local planning authority and then must be taken into account – but not necessarily followed – when drawing up a new Local Development Plan. Guidance is available on the preparation, submission and registration of Local Place Plans

Third Sector Interface (TSI): There are 32 TSIs in Scotland, one in each local authority area. They provide a single point for support and advice to third sector organisations within their area. TSIs act as a voice for the third sector, provide training and information on a range of relevant issues.

Third Sector or Voluntary Sector: Organisations that are neither public nor privately owned and are independent from political party or statutory bodies. Includes charities, community groups, development trusts and social enterprises. They often have a strong community or thematic purpose and volunteer involvement at high levels i.e. committee or board of trustees/directors. Can also be referred to as “not-for-profit” organisations.

South of Scotland Enterprise (SOSE) is the economic and community development agency for Dumfries and Galloway and Scottish Borders. We offer support, funding and specialist knowledge to help community initiatives and social enterprises across the South of Scotland to grow and achieve their aspirations. To contact SOSE:

- Go to <https://www.southofscotlandenterprise.com/contact-us> and fill in the enquiry form
- Call **0300 304 8888**