EVALUATION OF THE COMMUNITY LAND UNIT

A final report to:
Highlands and Islands Enterprise

SQW
economic development consultants

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1 Introduction and methodology

Introduction

1.1 This report presents the findings of an evaluation of the Community Land Unit (CLU) carried out between June and September 2005. The research considers the CLU's performance against its objectives and the wider aims of Highland and Islands Enterprise's (HIE) Strengthening Communities Group. The brief for the study set out two phases to the work. The first collected data to provide an analysis of the CLU/HIE investment to date and the benefits achieved and the second, based on consultation, provides feedback from partners, considers some of the issues that will affect the delivery of support and looks at ways forward.

CLU background

1.2 The history of CLU stretches back to the first community buy out by the Assynt community in the early 1990's and the successful purchases of the Isle of Eigg and the Knoydart Peninsula in the late 1990's. These major community land purchases were primarily to address a lack of investment and co-operation of private landlords, which not only prevented community development, but over the years had led to deteriorating infrastructure and quality of life for its residents. Early woodland projects in Laggan and Abriachan were also successful management agreements and community purchases, although these were driven initially by the potential for local job creation in forest management and concern over access if the land was sold privately.

1.3 Although the HIE network had made contributions to Assynt and Eigg, without more substantial support, the painful process that these buy outs had gone through would severely limit the scope to address the problems faced by other communities in similar circumstances.

1.4 The establishment of the CLU was announced at the ceremony to hand over Eigg to the newly constituted Trust in June 1997. The new unit had the aim of supporting communities in the ownership and management of land assets and to support the sustainable management of these resources. In 1998, the CLU recruited three full-time staff and a further community land adviser was recruited in January 2000. The CLU's budget initially comprised HIE finances of £250,000 a year matched with £96,000 of Objective One funds. This was supplemented by a commitment by the then Scottish Office to provide a dedicated Community Land Purchase Fund of a quarter of a million pounds in the financial year 1998/9 and a million pounds per year for the following three years.

1.5 The first CLU assisted purchase was made by the Abriachan Forest Trust in March 1998 with £30,000. In March 1999, CLU provided £75,000 in a total of £750,000 for the community's purchase of the Knoydart estate.

1.6 In 2001, the CLU and HIE, in partnership with Scottish Enterprise, bid for and succeeded in winning the contract to deliver the Scottish Land Fund, money made available by the Big Lottery Fund (then the New Opportunities Fund) to support community land purchases throughout Scotland. The Fund provided a substantial new source of revenue for communities, increasing the potential number and scale of purchases and also generating new publicity for the community ownership model. To deliver the agreement, the CLU team was expanded to nine with a new office in Auchtertyre and two staff working from home to cover Edinburgh and Oban.

1.7 Post acquisition support was recognised as vital for the success of the larger investments and an aftercare programme was developed in 2002 with a team that has now expanded to three. In 2004 Parts 2 and 3 of the Land Reform Act came into operation. Although the number of cases that have made use either part of the Act has so far been small, it has increased interest. Understanding and working with the legislation has added further to CLU's work.

1.8 By mid 2005, the CLU had supported 260 projects and invested £3.7m. It had also delivered £8.7m of grants within the HIE area on behalf of the Scottish Land Fund. The profile of this investment is considered more fully in the following chapter.

1.9 The CLU's role has increased greatly over time. In addition to the resources it invests and the advice and support that it provides, it has played an important role in the shaping of the new legislation and in ensuring that it can be delivered meaningfully. The CLU has matured to play a pivotal role in the support of community land ownership and has built up considerable expertise in a sector that is becoming increasingly significant. With growing interest in community asset ownership as an approach throughout the UK and new opportunities on the horizon in Scotland, this evaluation comes at an important time for the CLU.

CLU objectives

1.10 The brief sets out the CLU objectives as:

- to promote community-led land purchase or management initiatives, including joint management and other partnership arrangements with existing owners
- to provide advice and support for the community land initiatives, incorporating the exchange of best practice
- to contribute to the research and development of policies related to community land initiatives

- to deliver the Scottish Land Fund on behalf of the Big Lottery Fund (from February 2001).

Strengthening Communities Objectives

1.11 The June 2005 strategy "A Smart Successful Highlands and Islands" sets out priorities for the Network in delivering its Strengthening Communities objectives. The first priority, creating community assets, emphasises the importance of this approach to HIE. It says "communities in the Highlands and Islands have a long history of doing things for themselves, and community organisations continue to play an important role in creating and enhancing attractive places. Community-owned and managed assets enhance local amenities and services, contributing to a high quality of life and generating income to invest in further community activities". The priorities for action relate to, supporting community-based organisations, providing advice and support, enabling communities to harness renewable energy potential and working with other agencies. The Community Land Unit delivers a significant part of these actions. The three objectives for Strengthening Communities in the brief, and the core indicators used by HIE for measuring progress are:

- investment in community assets and services
- developing community strengths, leadership and confidence
- enhancement of the quality of the environment and culture

Approach to the evaluation

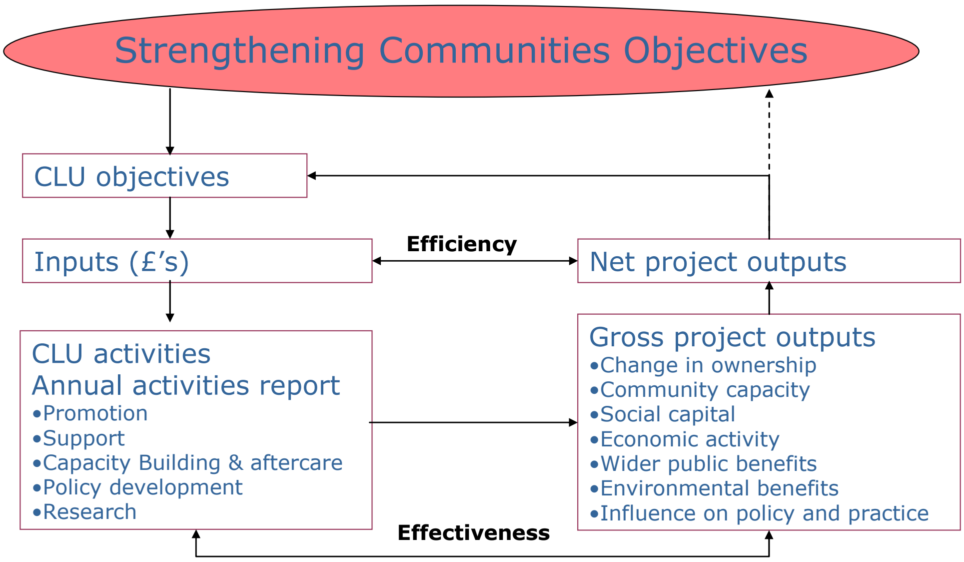
1.12 Community ownership of assets is a means to supporting strong and vibrant communities. It is based on a community development approach that works *from the inside out* rather than by imposing initiatives or programmes centrally. The ownership of the land or other asset is fundamental to this, providing strength and focus to communities. Ownership is different from other, more limited forms of community participation. Ownership of tangible assets gives more leverage in accessing further funding, provides opportunities to generate income streams and a stronger base for negotiating agreements with other agencies. It offers an opportunity to manage and deliver local services in a different way, directly related and responsive to community need. In addition to enabling better services, local ownership and management can contribute to a range of other benefits that include, strengthening social networks, community engagement and inclusion and enhancing capacity and confidence.

1.13 Case studies of some of the major land purchases such as Gigha, Knoydart, Eigg and Abriachan all provide examples of positive results from this approach and are frequently cited, but CLU has supported a much wider range of projects and this evaluation gathers evidence across these. The objective is to consider whether this approach is delivering benefits across the full portfolio of projects and to what extent these have been enabled by CLU support. In other words, what difference has CLU made?

1.14 Figure 1.1 presents the structure of the evaluation. Under the Strengthening Communities objectives, CLU has its own set of objectives. These are addressed using inputs (time and funding). The inputs are used by CLU to carry out activities, primarily funding projects but also contributing to wider consultation on community asset development and research. These activities generate a wide range of outputs (social, economic and environmental) and part of the evaluation is to determine which of these are generated *as a result of* the CLU support. These are the net outputs and, over a longer period of time, these should contribute to the wider objectives of Strengthening Communities.

1.15 The concept of efficiency is the ratio of inputs used to the amount of outputs generated. Effectiveness describes the link between the activities of CLU and the outputs achieved.

Figure 1.1



Methods

1.16 The evaluation was undertaken using a postal survey, telephone interviews and face to face consultations. The first phase of the evaluation was based on a survey that covered all the projects supported by CLU in the HIE area. These results are presented in chapter three and set out the characteristics of the projects supported, the benefits that they claim to have generated and the role that CLU has played in enabling their activities. These results were put in context through face to face interviews and case studies carried out with a further ten projects. These case studies have been produced separately for HIE, but they have been used to help interpret the survey results and have helped in forming conclusions later in the report.

1.17 Data provided by CLU on the number and value of awards made and the number of enquiries has been analysed and the results are set out in Chapter two. This data was also used as a basis for the survey sample.

1.18 The second phase of the work involved consultation with the CLU's partners or stakeholders. These interviews were carried out to understand the CLU's wider role, to get feedback on performance and consider how it might develop in future. The feedback from these interviews is used throughout the report, but chapter four summarises some of the issues raised.

1.19 In summary, the elements of this work are:

- a postal survey of all 141 projects that resulted in 57 completed returns
- 40 telephone interviews, 33 of which were with projects that had not participated in the postal survey and 7 which were follow up interviews.
- case study interviews face to face with 6 projects and telephone case studies with a further 4
- review of case files
- review of CLU project data
- consultations with CLU team
- consultations with stakeholders

2 Review of enquiries, applications and approvals

Introduction

2.1 This chapter reviews the data held by CLU on enquiries, applications and approvals, by area and value. The results provide useful background on the scale and scope of direct support delivered as well as providing a useful indication of trends.

Number of enquiries

2.2 Since its launch in June 1997 to the first quarter of 2005, the CLU has handled:

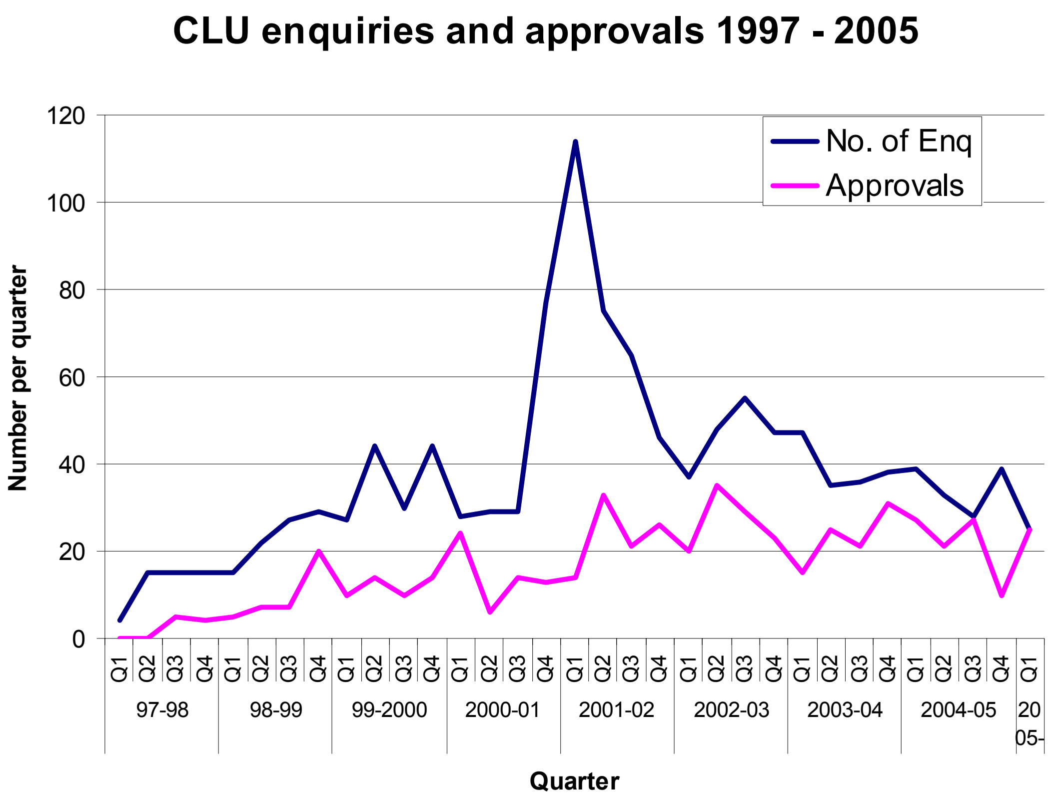
- over 1,250 enquiries leading 556 approvals (a ratio of 2.2 enquiries per approval)
- allocated HIE grants worth £3.7m to April 2005
- allocated £8.7m in SLF Grants in the HIE area to April 2005
- a total investment in the HIE area of £12.4m.

2.3 Figure 2.1 shows the enquiries and approvals between 1997 and April 2005. The figures for both show a slowly rising trend with a sharp spike in the first quarter of 2001, when the Scottish Land Fund was introduced. The peak, driven by the publicity reached almost 120 enquiries, three times the normal trend although the approvals remained relatively steady. The enquiries at that time are likely to have included ones which were not eligible and we suspect that over time these have stopped being recorded. The increase does show the effect that publicity can have on raising awareness of opportunities.

2.4 This spike aside, demand appears to be relatively steady with the level of approvals rising gradually to 20 – 30 per quarter.

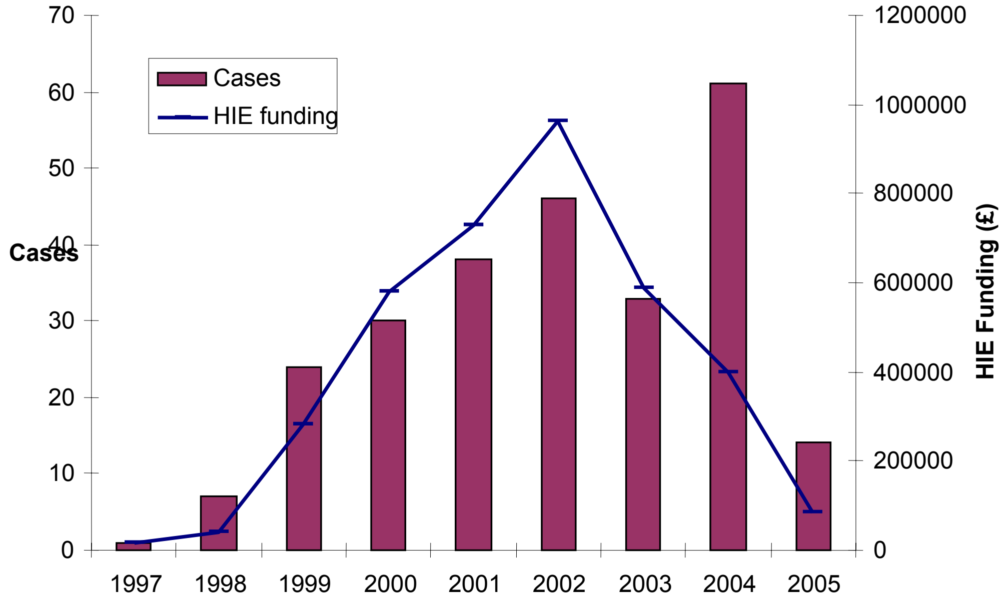
2.5 Feedback from CLU suggests that within the current arrangements, there is no reason to expect this demand to fall away. Demand is driven largely by opportunity, by land or buildings coming on to the market and triggering communities to consider whether and how they might respond rather than community groups looking pro-actively at possible new assets.

Figure 2.1: Number of enquiries and approvals



2.6 The number and value of awards recorded each year are shown in Figure 2.2. This more clearly shows the growth in the CLU activity. It shows that while the *number of cases* supported has continued to grow, the *value* of HIE investment peaked in 2002 (which included several major projects; North Harris and Anagach Woods) and has fallen over the past two years. The pattern suggests fewer larger projects being supported and more smaller ones.

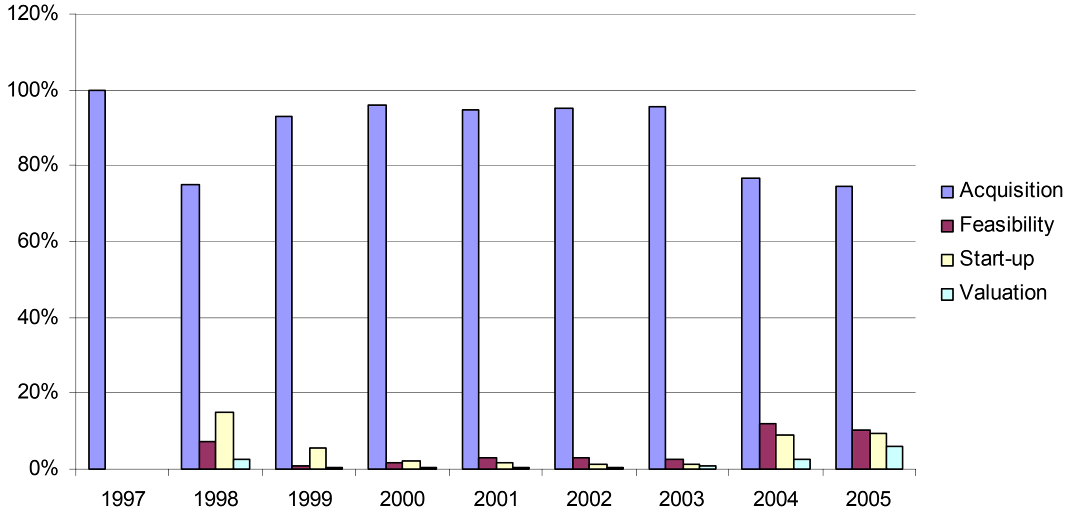
Figure 2.2: Cases and HIE funding by Year



Distribution of awards

2.7 Figure 2.3 shows the proportion of HIE funding invested in each of the different categories of grant; acquisition, start-up, valuation and feasibility studies. In funding terms, acquisition represents around 95% of HIE funds in 2000 – 2003. This figure has fallen slightly in the last couple of years, but serves to demonstrate the overall shape of investment. In terms of the *number of cases*, acquisitions represent about 50% of cases, with the other types around 10% to 20% each.

Figure 2.3: Percentage of HIE funding invested in acquisition, feasibility, start-up and feasibility

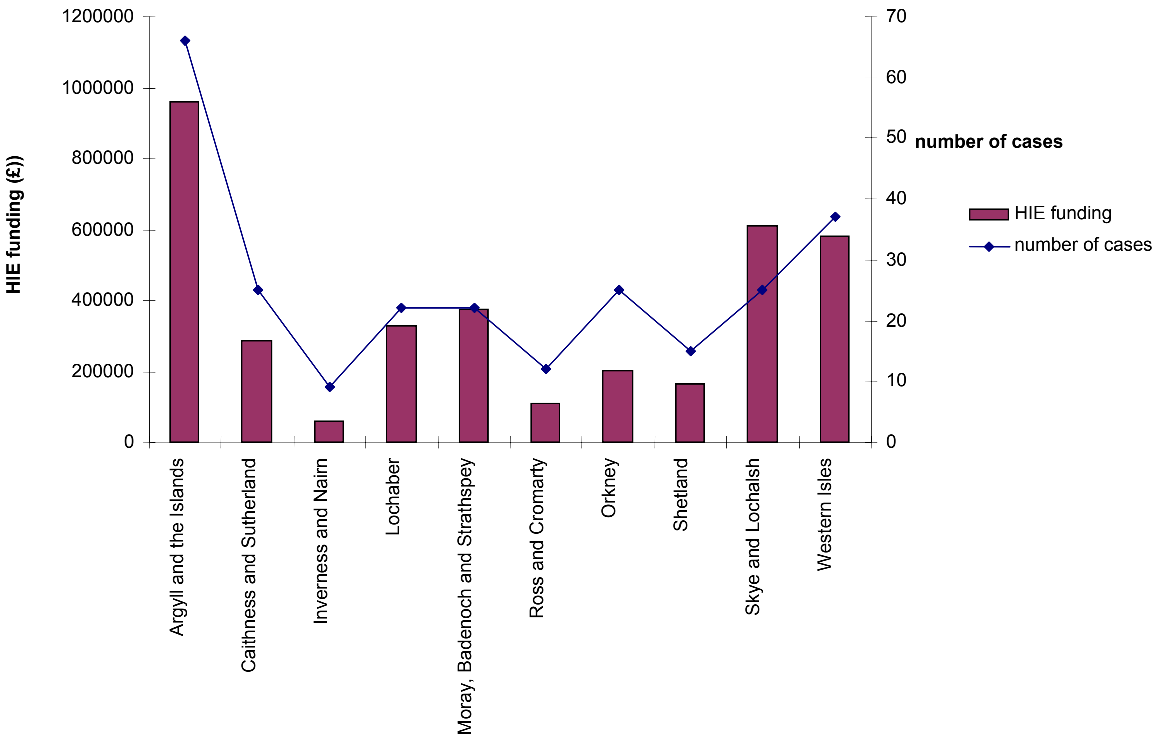


Distribution by LEC area

2.8 Figure 2.4 shows both the number of cases and investment made by the CLU in each of the HIE LEC areas. The area with most expenditure is Argyll and the Islands with just under £1m of HIE investment in 66 cases, while Inverness and Nairn has around £58,000 in nine projects. In Skye and Lochalsh, where CLU's Auchtertyre office is, there have been 25 projects supported with £612,000. The Western Isles have 34 cases with £600,000 of HIE investment made.

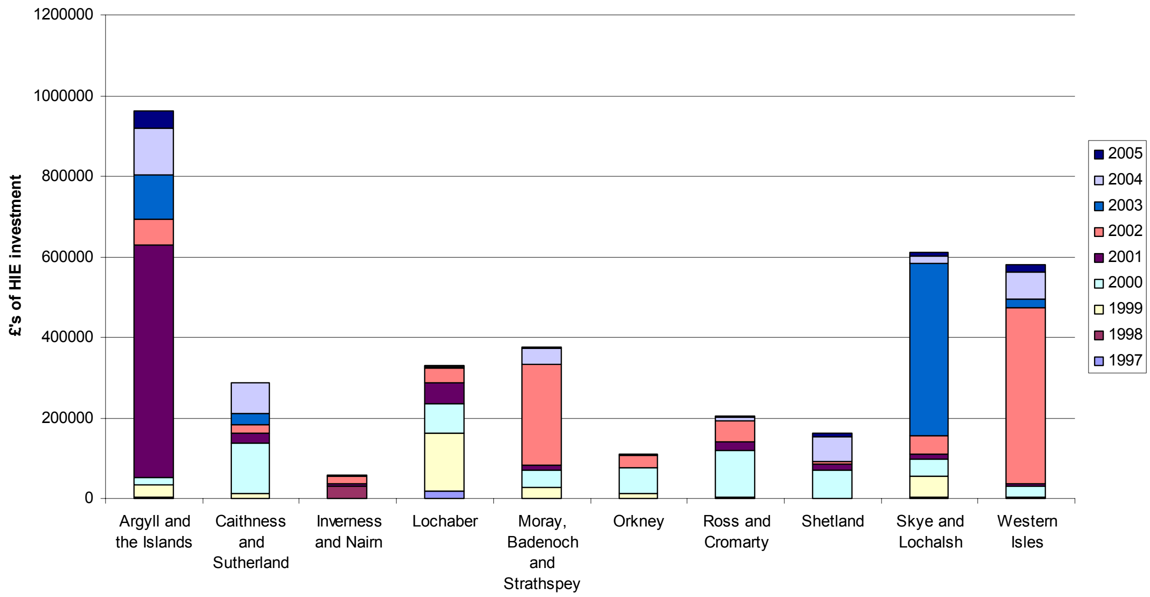
2.9 The Argyll and the Islands figure stands out and reflects the presence of the CLU adviser, based in Oban, which has helped raise the profile of the CLU and allowed him to focus on developing interest and projects. Within this area there have been 66 cases, almost double the numbers in other LECs. It provides an indication of the importance of having advisers based in offices around the HIE area rather than just Inverness and is important evidence in exploring the drivers of demand.

Figure 2.4: Distribution of investment and cases by LEC area



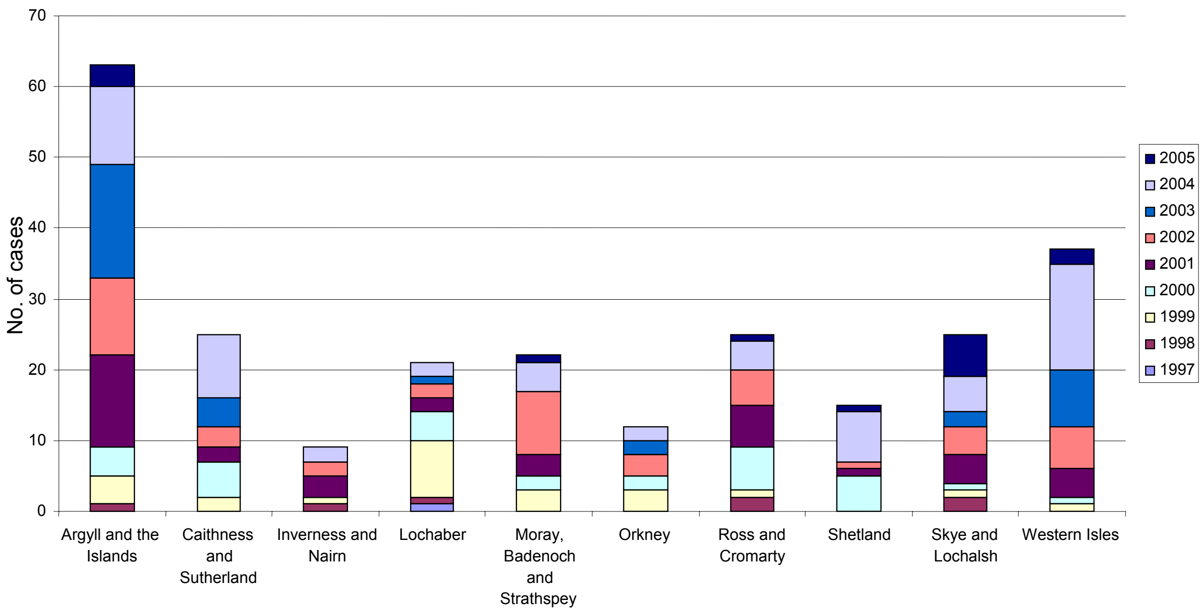
2.10 Figure 2.5 shows the value of investment that has gone into each LEC area by year. It helps to show when the investment was made and where the bigger projects are. For example, the Western Isles is dominated by the funding for North Harris and Argyll and the Islands by Gigha. Without these, the figures would be fairly evenly spread across the HIE area. The feedback from stakeholders supported the view that the geographical spread was something that the CLU should be congratulated on.

Figure 2.5: Distribution of HIE investment by year



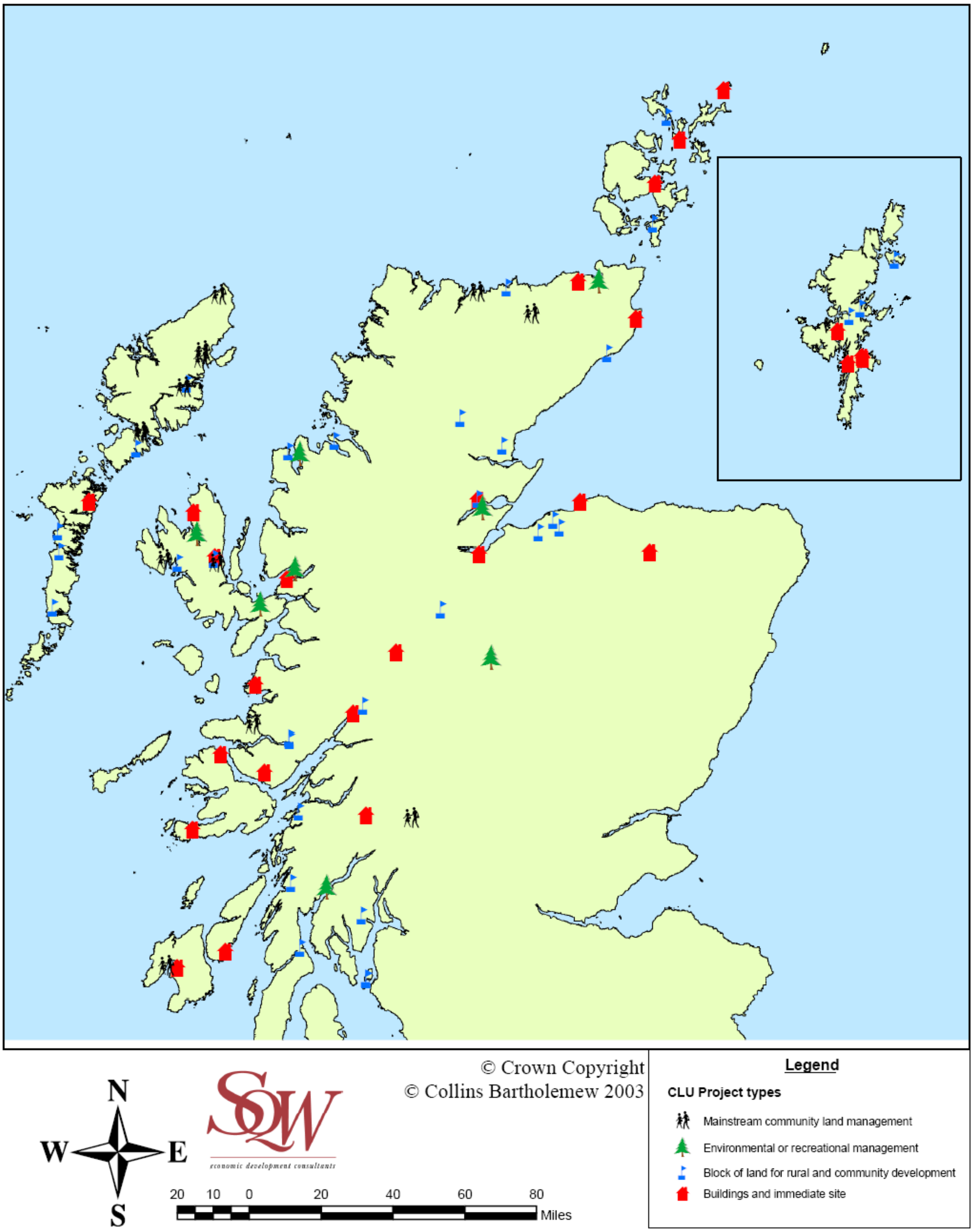
2.11 Figure 2.6 shows the *number of awards* in each of the LEC areas. Without being skewed by the large investments, this shows more clearly the larger number of projects handled in Argyll and the Islands compared with other LEC areas which each have between 20 and 30 (with the exception of the Western Isles).

Figure 2.6: Number of cases supported in each LEC area by year



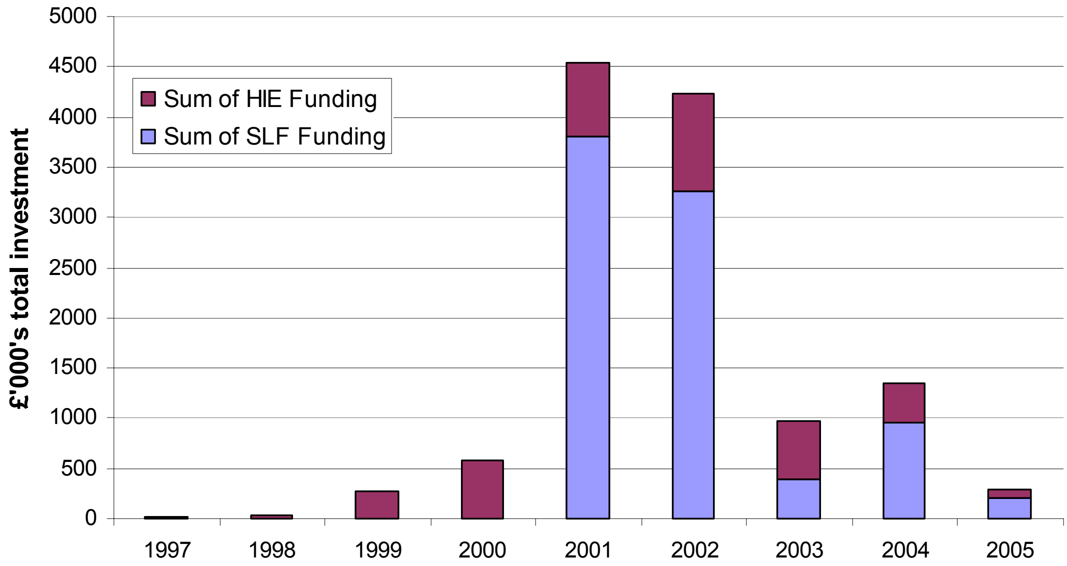
2.12 The map on the following page uses the postcodes of all the supported projects to show their location in the HIE area. The different types of projects are indicated by specific symbols. It shows the strong distribution of support and has probably been helped the by the location of the two other offices in the HIE area outside Inverness.

Location and type of Community Land Unit supported projects



2.13 It is helpful to show the scale of the SLF investment in the HIE area alongside the CLU/HIE funding. Figure 2.7 illustrates the huge increase in funds that SLF has brought to the area since 2001. The figures for 2003 and 2004 are smaller, because of the timings of the approvals, but the scale of investment over the last five years is clear.

Figure 2.7: SLF and HIE funding 1997 - 2005



2.14 Our conclusions are that the number of cases approved has risen steadily despite the more uneven patterns of funding. While the driver for most projects has been opportunistic, as land or assets comes on to the market, the major increase in interest in 2001 shows the effect that publicity can have. A second feature is the large number of projects in Argyll and the Islands which demonstrates the impact that having a local advisor can make. If one of the barriers to supporting more projects is awareness among communities, the CLU can take measures both to generate publicity and to place advisors within local communities. The final point is the trend towards support for more, smaller projects. This was identified by the CLU as a response to demand. It would seem to be a trend that is likely to continue, particularly if CLU continues to broaden the range of assets that can be supported.

3 Survey evidence

Introduction

3.1 This chapter presents the results of the postal and telephone survey carried out with projects receiving support from the CLU. The CLU provided a database containing all the awards made; acquisition, start-up, feasibility studies and valuation. In total there were 258 interventions (grants awarded) made to 141 projects (the trusts receiving these grants) since 1997. Projects are classified under four categories:

- Category 1 – Mainstream community land projects
- Category 2 – Environmental and recreational projects
- Category 3 – Acquisition of a plot or block of land
- Category 4 – Acquisition of buildings and immediate site

3.2 This was a complex survey to co-ordinate as questionnaires could only be issued once to each project but had to include references to each of the different interventions. A single project could have received multiple awards and in one case there were nine separate grants awarded. A copy of the full questionnaire is included Appendix A.

Response

3.3 To maximise the response the questionnaire was kept relatively short and was intended for completion by the project manager. Information was collected from 90 projects from the total of 141 that received assistance in the HIE area. These 90 projects had received 158 funding awards from the total of 258. HIE/CLU grant funding *in the sample* totalled £2.8m from a total of £3.7m. This means that **the survey covers three quarters of the total value of CLU funding**. The average CLU award was £14,300 and the median, £6,800.

3.4 The sample disaggregated by LEC area is shown below with the response rates from each area shown in brackets in the left hand column. The larger number of projects in Argyll and the Islands reflects the larger number in the population. There are also larger numbers in the Western Isles and Skye and Lochalsh.

Table 3.1: Sample structure

LEC Area (response rate)	Mainstream community land	Environmental and recreational	Plot or block of land	Buildings and immediate site	No acquisition	Grand Total
Argyll and the Islands (53.3%)	2	1	5	7	1	16
Caithness and Sutherland (73.3%)	2	0	4	3	2	11
Inverness and Nairn (50%)	1	0	1	0	0	2
Lochaber (63.6%)	0	0	2	5	0	7
Moray, Badenoch and Strathspey (58.3%)	1	1	1	3	1	7
Orkney (55.6%)	0	0	2	3	0	5
Ross and Cromarty (69.2%)	0	1	3	1	4	9
Shetland (77.8%)	0	0	3	4	0	7
Skye and Lochalsh (70.6%)	0	1	3	3	5	12
Western Isles (66.7%)	3	0	5	0	6	14
Grand Total (63.8%)	**9**	**4**	**29**	**29**	**19**	**90**

3.5 Of the 90 completed forms returned, most questions received a response rate of 80% or above. Those which received a lower response rate are noted below in Table 3.2.

Table 3.2: Questions with response rates below 80%

Question	Question number	Response Rate
Any other comments?	Q25	22.20%
What could have gone better with your project?	Q11b	55.60%
Please detail all sources of funding you received	Q7a	62.20%
How many people in the community use the amenity provided by the project?	Q16	67.80%
How many people are resident in your community?	Q4	67.80%
What additional support would you have liked?	Q9	67.80%
What has gone well with your project so far?	Q11a	73.30%
Which part of the support provided by CLU did you find most useful?	Q8iii	73.30%
Has, or is, the group likely to achieve financial independence via securing a sustained income stream in the near future?	Q23	75.60%
What support was provided by CLU?	Q8ii	76.70%

Initial ideas

3.6 The first question asked who had the initial idea for the project? The results shown in Table 3.3 demonstrate that **in most cases the community themselves had the idea or in some cases a combination of a local individual and the community**. Very few projects had been initiated by external organisations. This is extremely important in verifying that the CLU support is genuinely being used to enable community led activities. There was no evidence that there were attempts to "create" projects that were not genuinely community led. Among the mainstream land projects, 11% reported that the CLU had been involved, but given the number of meetings and involvement of a variety of agencies, it is not unreasonable that they would be considered as part of the development of the idea.

Table 3.3: Origin of the initial ideas

	Mainstream community land	Environmental and recreational	Plot or block of land	Buildings and immediate site	No acquisitio n	Grand Total
Number of responses	**9**	**4**	**29**	**29**	**19**	**90**
Community Group	89%	75%	62%	69%	58%	**67%**
Local individual	44%	25%	24%	21%	32%	**27%**
Local Council	0%	0%	7%	10%	0%	**6%**
LEC adviser	11%	0%	3%	3%	5%	**4%**
National Authority (e.g. SNH)	0%	0%	0%	0%	0%	**0%**
HIE's Community Land Unit (CLU)	11%	0%	3%	0%	5%	**3%**
Other	11%	50%	21%	14%	21%	**19%**

Note that projects could indicate more than one source

3.7 Fifty four percent of the projects claimed to have an existing group prior to the purchase. The CLU reports in its own monitoring data that they have supported just over 100 community enterprises. This suggests that these existing groups were not necessarily registered as a company before the CLU support. Applying this to the total of 141 supported community groups, indicates that CLU's involvement triggered the setting up of 65 new groups (this is different from the incorporation of the 100 community enterprises).

3.8 The survey asked projects to indicate the methods of community engagement that were used. Although the most frequent approach was community meetings (71%) there was a surprisingly high use of surveys and community consultation (Table 3.4). A small number of projects around plots or blocks of land had little or no engagement.

Table 3.4: Methods of community engagement (percentage of sample responding)	Mainstream Community land	Env. and recreational	Plot/block of land	Buildings and immediate site	No Acq.	Average across all project types
Community meeting	89%	75%	62%	62%	89%	71%
Survey of local opinions	44%	50%	34%	38%	47%	40%
Full community consultation	44%	25%	28%	21%	58%	33%
Selective community consultation	11%	25%	28%	24%	11%	21%
Little or no engagement with wider community	0%	0%	14%	7%	5%	8%
Other form of community engagement (please specify)	22%	50%	24%	28%	5%	22%

Note that projects could indicate more than one method

Size of communities

3.9 **The average size of the communities that were participating in projects was 991**. *This figure reflects the projects own view of who is part of their community*. Some were defined tightly around those that directly use the facility or services while others included a much wider group (for example radio stations). Projects in Keith, Forres and Alness include the communities of these larger towns. The projects for larger communities tended to be buildings, such as community halls or other facilities. The environmental and recreational projects, largely forest or woodland, gave smaller community numbers.

Table 3.5: Average size of communities	Mainstream community land	Environmental and recreational	Plot or block of land	Buildings and immediate site	No Acquisition	Average across all project types
Average	854	413	1,099	1,392	513	991
Max	2,000	1,000	8,000	8,000	2,000	8,000
Number of Cases	7	3	17	20	15	62

3.10 These figures have been used to try and estimate the total number of residents in all the communities that have received CLU support. To do this we have excluded projects that cover the same communities to avoid double counting. This was done using postcode data. The result relies on some judgement but, by extrapolating from the average, **we estimate that a total of around 96,000 people live in the communities covered by the 141 projects**. It should be borne in mind that this will include all the residents in some towns. Even so it demonstrates that although many projects are relatively small and some may argue that there has been little impact on overall land ownership, **there is potential now for many more people to become involved in managing community assets**

3.11 Another useful measure of activity is the number actually engaged directly with the project either as project management, involved regularly or on an ad hoc basis as volunteers. The figures below give the average numbers in each of these categories by project type.

3.12 The average across all projects was 32, with 13 engaged directly in management. Note that there is some overlap between management and regular involvement and in some projects there will be double counting. Across all types of project an average of around 30 – 40 people are involved directly in some capacity. If this were representative of all 141 projects supported this would indicate **around 4,500 people involved with CLU supported projects in the HIE area**.

Table 3.6: Level and type of engagement in projects (number of individuals actively involved)

	Mainstream community land	Environmental and recreational	Plot or block of land	Buildings and immediate site	No Acquisition	Average across all project types
Project Management	10	13	13	19	5	13
Regular involvement	23	26	16	10	5	13
Ad-hoc assistance	11	9	8	9	7	8
TOTAL	**39**	**41**	**31**	**37**	**21**	**32**

Project progress

3.13 Each of the projects was asked to describe the activities they had undertaken. Reviewing these it is apparent that very few would describe the work they are doing as complete. Most are in a process of renovating, building, negotiating, etc. This is wholly appropriate as the purchase of the asset is very much the start of a process. However, some are moving forward faster than others. In Table 3.7 we have provided our own assessment, based solely on comparing the types of activities undertaken with the date when funding was first made.

3.14 The table shows 6% of the 90 projects, being effectively complete. These are either housing projects where property is built and occupied or where the physical development is in place. In 10% of cases, it was too early to make any assessment. Twenty percent were rated as good and had made a lot of progress and 28% were rated as OK, making reasonable progress. There were 12% that we considered to have been slow. This was for a number of reasons; legal hitches, delays in getting architects plans, the withdrawal of funders and in one case, a fire had damaged the building, forcing the development of new plans.

3.15 There are no cases where HIE have had to claw back their investment or where the community groups are failing, but there are examples where, judging from the forms, progress has been slower than anticipated. Without visiting every project it is not possible to identify where there could genuinely be problems, but there may be cases where, after initial activity, momentum may be ebbing away. This would be a role for the aftercare team, but at present this is largely restricted to reacting to project needs rather than chasing up quieter projects. This could be a role in the future.

Table 3.7: Project progress based on activities undertaken		
Complete	5	6%
Early	9	10%
Good	18	20%
OK	25	28%
Slow	11	12%
Not acquired	22	24%
Grand Total	**90**	**100%**

Benefits

3.16 The questionnaire presented a list of potential benefits and each project was asked to indicate whether their activities have had a major positive effect, a minor effect, no effect or a negative effect. These indicators (in Table 3.8) anticipated a wide range of effects and the distribution of results also demonstrate this breadth. The figures indicate the **percentage of projects in the sample that believed that they had a major or minor positive effect on these indicators**. In practice, the major impact category is probably the best guide as these are likely to be where projects can genuinely point to changes. The table shows these benefits with three colours, yellow for social benefits, green for environmental and pink for economic. The results are arranged in order of the proportion of projects reporting a positive impact. The results are also shown in more detail in Table 3.10.

3.17 The most obvious result is that social benefits are the most dominant, reflecting the high level of engagement and the role that the projects have played in bringing communities together. At the other end of the table the pink indicators show that a smaller proportion of projects considered there to be major effects on economic measures such as employment, income and new businesses. Forty five percent of projects considered their activities to have had a major impact on landscaping and environmental improvements.

3.18 The following sections look at five themes in a bit more detail, using the evidence gathered from the survey.

Table 3.8: Benefits reported by projects (percentage of sample responding)		
Acquisitions only	**Major**	**Minor**
Engagement/ participation of community as a whole	**57%**	22%
Community Empowerment – sense of neighbourhood and ownership	**57%**	22%
Quality of life - Access to facilities/ amenities	**54%**	23%
Landscaping and environmental improvements	**45%**	12%
Strengthening social networks	**43%**	29%
Quality of life – Security of tenure	**42%**	12%
Skills and capacity building of individuals and groups	**38%**	32%
Inclusion of hard to reach groups e.g. elderly, single parent families, disabled, low income	**38%**	25%
Fundraising	**36%**	20%
Protection of heritage	**36%**	17%
Fresh income streams either to local businesses or groups	**29%**	19%
Job creation	**23%**	26%
Education for all	**20%**	23%
Protection of wildlife diversity	**19%**	17%
Energy efficiency	**19%**	13%
New businesses	**13%**	20%

Building Capacity

3.19 The biggest indicator of building capacity is the number of new organisations that have been supported. The CLU has helped to create over 100 community enterprises and the survey suggests that there are 65 new community groups formed. This is a major contribution to the capacity and social infrastructure in the Highlands and Islands and whatever the outcomes of these individual purchases will remain a mechanism for future community development.

3.20 We also know from the survey that there is an average of 13 people managing these projects all of whom would be expected to benefit from the experience. In total this would represent around 1,800 people. From the survey, 38% of the projects reported a major impact on skills and capacity building within their communities. This was particularly strong among the environmental and recreational projects.

3.21 The projects also reported a number of other benefits arising from the projects:

- the development of organisational skills, people skills and project management within the management groups
- the number of *further* grants that have been awarded by the CLU and others is evidence of success in developing new ideas

- many were dealing with other partnerships and agencies (see list later)
- CLU has supported formal training using, for example, LEADER 2 funding
- some projects directly link to skills development (e.g. forestry qualifications and skills related to new businesses).

Creating social capital through relationships

3.22 This covers a range of relationships that this type of project can produce. It includes relationships formed within the communities, with other partners and with other communities. From the survey, 43% of the projects reported a major impact on strengthening social networks. This was evidenced by well attended open events and meetings. These in turn support community networks and can help members of the community to understand the skills available locally. There were examples from the face to face interviews of communities drawing on local skills for elements of their project.

3.23 Fifty seven percent of survey respondents reported a major impact on community empowerment. Examples include the reference by projects to "our assets" and descriptions of a "weight being lifted" once the community took control of an estate. The level of engagement itself is evidence of empowerment (why would people turn up if they felt they had no influence?) and will lead to the generation of social capital through extending networks. To some extent our analysis depends on the views of the project manager rather than the community themselves, but where we have spoken to other community members there has been a genuine sense of empowerment and influence.

3.24 Another source of evidence is the proportion (31%) that had joint management or partnership arrangements (this rises to 50% for woodland projects). This again stresses how these projects are helping communities and individuals to make new links externally, which in the longer term will strengthen their position. Among woodland projects concordats with FCS and projects with SNH were identified

3.25 Seeking other funding and membership of other organisations builds relationships and a list of those that respondents identified is given below. It is worth noting that most projects were able to identify at least one other source of support.

Local Enterprise Companies (LECs). Local Authorities Forestry Commission Forestry and Rural Development Scheme (FRDS) Davidson Trust Scottish Agricultural College (SAC) Heritage Lottery Fund (HLF) Communities Scotland Social Investment Scotland Highlands and Islands Social Enterprise Zone (HISEZ) Scottish Natural Heritage (SNH) Forward Scotland Carnegie Trust Royal Society for the Protection of Birds (RSPB) North Highland Forest Trust Highland Bio Diversity Schools Rural Challenge Fund Crofting Community Development Scheme	Gower Trust Scottish Community Projects FundMillenium Forest for Scotland Trust Forest Enterprise Rural Environment Action Project (REAP) Entrust (Environmental Body) Community Councils Community Environmental Renewal Scheme (CERS) European Funding 'Gaelic in the community' PESCA Community Economic Development Grant Disability Shetland Small Highland Communities Housing Trust	Scottish Executive WR Alliance Better Neighbourhood Services Fund (BNSF) Charity Banks Comhairle nan Eilean Siar (CNES) John Muir Trust Robertson Trust Scottish Water Construction Industry Training Board (CITB) Government Scheme for Rural Petrol Stations National Trust for Scotland Crown Estate Historic Scotland Crofting Community Development Scheme Initiative on the Edge SportScotland Lloyd's TSB

Economic activity

3.26 The projects were found to support a reasonable level of economic activity although we would stress that for many it is still very early to hope to identify new businesses or additional economic activity and the results are relatively patchy, in that a smaller number of projects tend to contribute most of the impact. A large proportion are still developing their assets and have not yet started building or refurbishing properties. Many are still in the early stages of their business plan.

3.27 The survey collected data on the number of direct and indirect jobs supported. The direct jobs are those that the project funds directly. Indirect jobs are others that have started as a result of the project's activities. These are all the jobs supported by the projects and are *not* necessarily as a result of the CLU support. It is also worth noting that a proportion are fully grant dependent development officer posts which may not be sustainable in the long term.

Table 3.9: Employment related to and employment associated with projects (average number of jobs per project type)						
Project/s	Mainstream community land	Environmental and recreational	Plot or block of land	Buildings and immediate site	No acquisition	Average across all project types
FT Direct	3.1	-	0.1	0.8	0.2	0.6
PT Direct	1.0	1.0	0.2	1.0	0.1	0.5
FT indirect	2.3	-	-	0.6	0.3	0.5
PT indirect	0.9	-	0.4	0.1	0.3	0.3
Total	**6.4**	**0.5**	**0.3**	**2.0**	**0.7**	**1.5**

3.28 The jobs supported vary but some projects, particularly those with social businesses are employing significant numbers (including one project employing 12 people through the community-owned factory and shop). Another example is a care project which employs five. A relatively high proportion reported that they are hoping to secure funding for more employees. There are also several examples where although the project is employing people, they believe that these jobs would have been there in any case and so have not recorded these as additional. These two categories (potential employment and non-additional employment) are not included in these figures. The jobs reported are assumed to be additional to the community. **Across the sample overall, there were on average 1.5 jobs per project, which extrapolating across all 141 projects would suggest around 210 FTE jobs.**

3.29 It is worth noting that a separate economic impact study was done on the impact of the Black Isle Farmer's Show, one of the funded projects, which indicated that 30 FTE jobs were supported. We understand that although the Show would have continued in some form, in the longer term the support could be shown to have protected these jobs as without it, the quality of the facilities would have deteriorated. Without knowing the alternative scenario it is difficult to attribute all these jobs to the project.

3.30 The largest number of jobs is in the category one projects, the mainstream community land category. Some of these are development officer jobs, but others have been funded separately. The woodland projects tended to report fewer new jobs, perhaps because it can take time for these projects to generate new income.

3.31 Overall, it is difficult to determine the exact number of direct and indirect jobs supported. Without evaluating each of the projects separately, we are relying on the judgement of respondents as to what is additional and what would have taken place anyway. This is further complicated by the uncertainty over what would have happened had an acquisition been unsuccessful. In some cases there may have been little impact on employment, but in others the impact would depend on the activities of an alternative buyer. We have assumed that in this, the projects themselves are in the best position to judge.

3.32 The survey indicated that 23% of the projects considered themselves to have or be having a major impact on job creation. The jobs cited included project managers, cafés, facility management, local contractors, suppliers and individuals. Twenty nine percent also reported a major impact on new income streams through, for example, renting premises, membership fees, sale of products, renewable energy, fishing rights, tourism spending. Thirteen percent reported a major impact on new businesses including a soap factory, shops, café's and restaurants, B&B's, boat services, IT and attractions.

3.33 Taken together the economic impacts are significant although in many cases they remain potential rather than actual. **The projects support around 210 FTE jobs and from the other responses there is confidence that this impact will continue to grow as projects develop. This is a snapshot, over time the range of social benefits that have been reported can all be seen as precursors to supporting communities which can become more economically sustainable.**

Wider public benefits

3.34 From the survey, 54% reported major benefits in access to facilities (woodlands were the highest). Most woodlands have carried out access/pathway work and those that were interviewed face to face reported increasing use by schools and other groups, although estimates of figures were hard to come by. Many of the projects incorporate access for disabled and elderly and most of the woodlands projects include a recreational element that could be accessed by groups from further a field than the community itself.

3.35 A high proportion of projects that relate to heritage or woodland reported major educational benefits (42% of woodland projects). Community management of woodland projects had generated a lot of new school trips linked to environment and health. Buildings projects usually incorporated an educational and training element for their communities and some provided internet access through community offices.

3.36 One of the stronger areas of benefit (38%) was in relation to social inclusion. The proportion reporting a major impact increased to 41% of building related projects. A large proportion of new building facilities were to provide services to groups that would have difficulty accessing them elsewhere or would need to travel considerable distances. Care homes, community facilities, youth clubs, elderly projects were all examples which are helping to enhance the quality of life of these groups.

Active environmental planning

3.37 The survey indicated that 45% the respondents considered their project to have had a major impact on landscaping and environmental improvements. The work included examples of car parks, community gardens, paths, woodland management, drainage, planting etc. Even where these benefits were not explicitly recognised the refurbishment of buildings and construction on previously abandoned sites represents environmental improvement. For example, there is one case of using derelict land to extend golf club facilities and another where land next to a station is being used as part of new community facilities. Support for projects acquiring a plot or block of land (category 3) is often of this nature, where small but strategic areas of land are purchased to develop new or extend existing community facilities.

3.38 Just under a fifth of projects claimed major energy efficiency benefits. There were examples of buildings with solar panels, community wind turbines, energy efficient design, biomass and wood fuel. A similar proportion reported a major benefit to wildlife diversity. This was particularly true of the woodland projects and the number of wildlife audits underway is evidence that these are important features of the project. In some cases, there is far more monitoring done of the woodland and natural environment than of the benefits that it is bringing to the local community. There was also evidence of increases in rarer species, for example through badger and red squirrel projects. There were several projects that reported working in partnership with SNH and receiving funding for environmental protection projects.

3.39 The woodland projects all have environmental related aims and the relatively small proportion that reported that they have had a major effect reflects the fact that most are still at an early stage.

Benefits by project type

3.40 Table 3.10 shows how these benefits varied between the types of projects. Looked at by category, the most noticeable pattern is the high proportion of benefits reported by the category one projects (mainstream community land). This is particularly strong for social benefits, community empowerment, social networks and engagement. Given the resources allocated to these projects this is not surprising relative to some of the smaller projects. There is also a close correlation between the larger, category one projects and the economic benefits where 44% reported new income streams compared with 25% of the category two projects.

3.41 The proportion reporting an **impact on social inclusion was highest among the building projects where initiatives such as youth clubs and cafes, community facilities and housing projects would be expected to score highly**. The other categories are not far behind in most cases, although job creation appears to be stronger in the mainstream community land and the building categories rather than the environmental and recreational projects in category two.

3.42 All types of projects scored relatively highly in terms of social benefits, with around half of the respondents reporting that their project had effects on the indicators relating to empowerment, participation and access to services. Category two projects were less likely to report a major effect on strengthening social networks.

3.43 The projects that had not made an acquisition reported fewer benefits, which is to be expected. The process of setting up the new organisation and generating community support has had some relatively strong social benefits.

3.44 Although the survey has identified the areas in which benefits are being generated, the extent of these is very difficult to quantify without community surveys for individual projects. Even then, we suspect that there would be problems in measuring them.

3.45 For a lot of cases it is too early to make a judgement on the achievements of projects individually or collectively. A large number are still building, refurbishing, planting or organising. This is an ongoing process and the results here are necessarily only an early snapshot of the benefits. It would be expected that as time goes on, most of these benefits would increase. What can be said is that **each community land type has one or more "flagship" projects which have achieved significant benefits and act as a demonstrator for others**.

3.46 One of the issues that should not be overlooked in trying to measure the level of benefit is recognising *who* benefits. Many of the building projects will provide significant improvements in the quality of life for residents that otherwise would find it difficult to access services. It is also important to recognise that in some cases, without the project, it is not just that these benefits would not have occurred, but that conditions may well have deteriorated.

3.47 It is difficult to know what might happen without intervention in these particular cases, but where investment has been made in rural petrol stations or shops as well as other facilities, the impact is less around encouraging new activities and more to do with maintaining services. Without these, attracting and retaining population or investment would be considerably more difficult.

3.48 Finally, impacts on the softer, social indicators should be seen as an important precursor to improving standards of living. Many of these are necessary in supporting economic activity more generally. Networks and capacity in particular are key to developing entrepreneurship which can sustain employment and income.

3.49 **Looking across the project types, both the mainstream community land and building and immediate site categories tend to have higher proportions reporting benefits across most categories**. With the higher levels of investment in the mainstream projects, we would expect to see stronger benefits, while the building related projects often have a more direct and immediate effect on communities than environmental and recreational and strategic land projects.

Table 3.10: Reported "major" impacts by type of project (percentage of respondents). Shaded boxes indicate above average performance.						
	Mainstream community land	**Environmental and recreational**	**Plot or block of land**	**Buildings and immediate site**	**No acquisition**	**Average across all project types**
Engagement/ participation of community as a whole	67%	50%	48%	62%	58%	57%
Community Empowerment – sense of neighbourhood and ownership	89%	50%	48%	55%	53%	56%
Quality of life - Access to facilities/ amenities	56%	50%	55%	55%	21%	48%
Strengthening social networks	56%	25%	34%	48%	21%	38%
Landscaping and environmental improvements	56%	25%	48%	38%	16%	38%
Quality of life – Security of tenure	33%	0%	45%	41%	26%	37%
Skills and capacity building of individuals and groups	56%	50%	28%	41%	26%	36%
Protection of heritage	56%	25%	28%	38%	26%	33%
Inclusion of hard to reach groups e.g. elderly, single parent families, disabled, low income	33%	0%	31%	48%	11%	31%
Fundraising	33%	0%	34%	41%	16%	31%
Fresh income streams either to local businesses or groups	44%	25%	14%	38%	5%	23%
Job creation	33%	0%	14%	31%	16%	21%
Protection of wildlife diversity	56%	25%	21%	3%	21%	19%
Education for all	22%	25%	10%	28%	5%	17%
Energy efficiency	33%	0%	14%	21%	5%	16%
New businesses	11%	0%	7%	21%	5%	11%

Additionality

3.50 The benefits reported relate to the *projects*. The key to identifying the difference that CLU support has made is to understand the relationship between the project and the support it has received. The survey asked what would have happened if the CLU support and funding had not been available. The results are shown in Table 3.11.

3.51 **Across the sample, almost half of the projects would not have taken place at all without CLU support. This percentage is much higher among the environmental and recreational projects and lower for the plots or blocks of land**. In a high proportion of cases (33%) the projects happened more quickly than otherwise and in other cases the quality of what had been done had been improved (13%). Only two projects reported that they would have been able to go ahead in the same way. **For 98% of projects, CLU support was influential in their development.**

3.52 Although a high percentage claimed that the project would have taken longer without support, it is worth considering that in some cases, these were acquisitions that had to be completed quickly because land or property was on the market. Although respondents reported that the project could have taken place eventually, it is not always clear how this would have been achieved. Typical comments relating to this question were that they "would have looked harder for other sources", "would have done more local fund raising" and "not sure but would have approached other agencies". Our view is that in many of these cases, there would have been a considerable risk of them not taking place at all.

3.53 A further complicating factor is that the SLF funding that many projects received was also delivered by CLU. The questionnaire asked respondents to separately identify the funds received from both sources, but some found this difficult. In many cases CLU had helped the project to apply for SLF funding and without the CLU support, the whole funding package would not have been awarded. For some respondents, therefore, access to SLF has been closely tied to CLU support. From the face to face interviews, the contribution that CLU made along with the SLF money was usually critical and those interviewed commented that even raising small amounts of money locally was a slow process.

Table 3.11: Additionality of CLU support by type of project						
Project/s	**Mainstream community land**	**Environmental and recreational**	**Plot or block of land**	**Buildings and immediate site**	**No acquisition**	**Average across all project types**
Taken place in exactly the same way	0%	0%	7%	0%	0%	2%
Taken place but on a smaller scale	11%	0%	0%	10%	5%	6%
Taken place but would've taken longer.	44%	25%	41%	31%	21%	33%
Taken place but of a poorer quality	22%	0%	14%	10%	16%	13%
Would not have taken place at all	56%	75%	41%	45%	53%	48%
Other (please specify)	0%	25%	7%	17%	5%	10%

Note that projects could indicate more than one outcome

3.54 Table 3.12 tries to draw out the separate impacts of the funding and advice provided by CLU. In three-quarters of cases the funding was considered to be *critical* to the project and important to 18%. The role of the advice and guidance was also high. A third believed the non-financial support was critical and 46% that it was important.

3.55 The funding for environmental projects was critical for them all, but slightly less critical for plots or blocks of land. Advice and guidance was also more important in category one than other categories and shows that the more intensive support of the bigger projects has made a bigger difference.

Table 3.12: Importance of funding, advice and guidance to projects						
Project/s	**Mainstream community land**	**Environmental and recreational**	**Plot or block of land**	**Buildings and immediate site**	**No acquisition**	**Average across all project types**
Funding						
Critical	89%	100%	66%	76%	79%	76%
Important	0%	0%	28%	24%	5%	18%
No response	11%	0%	7%	0%	16%	7%
Advice and guidance						
Critical	44%	25%	21%	28%	58%	33%
Important	44%	50%	62%	41%	26%	46%
Not very important	0%	25%	3%	21%	0%	9%
Of no benefit	0%	0%	3%	3%	0%	2%
No response	11%	0%	10%	7%	16%	10%

3.56 Overall, we conclude that the CLU support was the sole reason for the project going ahead in half of all cases and that projects would have taken longer or been of poorer quality in the others.

3.57 It would be reasonable to assume that a proportion of projects that claimed they would have found alternative funding might not have managed to without support and in other cases it would have been more difficult to set up appropriate legal structures. The experience of the buy outs on Eigg and Knoydart highlight the huge challenges not just in raising the funding but also in structuring and organising a community to take on the management of the land.

3.58 On this basis we have assumed that 75% of projects would not have achieved the outputs they claim without the CLU support. This means that 75% of the outputs can be attributed to the CLU support.

3.59 In terms of the estimated employment generated, 75% of the 210 FTE additional jobs **associated with supported projects would give a net figure of 160 additional FTEs**. Similarly, the proportion of the other benefits claimed would be adjusted by the same factor.

Quality of support

3.60 There was a high level of satisfaction with the support provided and it is helpful to set out the following list with the responses to the question about the most useful element of the support received. These fall into a number of categories:

- Assistance in completing application forms
- Access to funding
- Advice on direction of project
- Legal guidance
- Support at meetings
- Making links with other funders

3.61 One noticeable feature is that only one project mentions facilitating links with other projects (described as "the bigger picture"). The most useful elements of support reported by respondents fell in to six main categories. All respondent's answers are shown below, broken down by category:

1. APPLICATION ASSISTANCE (ADVICE AND HELP WITH FILLING IN THE FORM)

- Application assistance
- Assistance with application and transfer of funds
- Commenting on and making positive suggestions on the draft application
- Completion of grant application
- Correctly helping us fill in (and amend) the application form. He also kept us briefed on all the legalities of land acquisitions.
- Guidance on the application form
- Guidance on what they wanted to see in terms of community support. It was important to get that right for the applications, so important to get the right advice from CLU.
- The complete application is itself valuable as it forms the basis for their application to the lottery. They were professional and this made a big difference.
- The opportunity to discuss the contents of the form. We take a lot for granted and forget to mention it. The need to let others know is vital.

2. ADVICE ON GRANTS/FUNDING/ELIGIBILITY

- Advice on eligibility
- Advice on grants available on completion of form
- Clear guidance on what CLU could and could not fund initially. Support in preparing bid.
- Guidance on funding sources
- The initial confirmation that we had a right to apply for funding in the first place
-

3. GENERAL ADVICE AND SUPPORT

- Explanation of what needed to be done
- General support, accessibility and willingness
- Generally pointing the group in the right direction
- Guidance in the right direction
- Initial talk about whether the whole idea was possible and the nature of the support available
- It gave us confidence to proceed.
- Saved from taking the wrong route on status

4. BOTH FINANCIAL AND GENERAL ADVICE

- Finance and advice – both crucial
- Funding advice, project development advice
- Access to funding was critical, but support was also valuable

5. FUNDING PROVISION

- Access to grant funding
- Funds
- The money. The availability of funding was essential in the negotiations
- The money. The initial advice on setting up the Development Company

6. CLU STAFF

- Attendance at meetings
- Experience from other projects – the bigger picture
- Having a personal contact who was very professional and supportive
- The experience and quality of advice given
- The fact that they were readily available to give advice when needed
- The part most useful was the availability of a person to talk to and verbally explain the project.
- Their ability to come and work with the community at local level
- Very understanding staff, who went beyond the call of duty. Attendance at meetings was very helpful

7. OTHER

- Advice on involvement of Companies House
- All of it – but probably the guidance on what should be done next
- Help in understanding the legislation
- Information on outside consultants. Drafting technical specs and contract documents
- Liaison with other funders. Legal negotiations.
- Training

3.62 The positive tone of the comments on support is also reflected in the limited number of suggestions around additional support that they would have liked. Again it is helpful to set the relevant ones out to give a flavour of responses. The question asked "what additional support would you have liked". The verbatim responses are given on the following page, under six categories:

1. NONE, SATISFIED WITH THE SERVICE PROVIDED

- All done very quickly and efficiently to enable us to buy property before it was lost to the town
- As some of us had been down this road before over Ranachan, we were fairly confident regarding the setting up a feasibility study
- Could not have asked for anything more. Very satisfied
- Could not have given more.
- Had sufficient support
- I think the support given was sufficient
- In the short time we had between involvement of CLU and decision re: funding, more support was probably not possible
- None – could not have expected much more – very good
- None – excellent support
- None – the CLU gave all the support they needed on this stage of the project in which they were involved
- None, every aspect where we asked for assistance, we got it
- Support is excellent

- Support provided was very good - can't think of additional!
- The support provided was excellent
- The support was just enough for our purposes.
- Those involved were entirely satisfied with the level of assistance
- Very happy with support and advice from adviser.
- We received sufficient support to purchase the Wildcat Centre premises. This was all we sought at the time.
- We were fully supported in all aspects of project
- Were very satisfied with all support given throughout the process. It was excellent

2. MORE ADMINISTRATIVE SUPPORT

- Clerical help. Perhaps a base with their own photocopier. They have not spent their funds in this way as they might need some for legal advice
- More admin support e.g. a year planner reminding them of the things for Companies House or the Inland Revenue

3. MORE FUNDING/ FUNDING ADVICE

- Financial help to develop the land after we purchased it with CLU funding
- Professional funding advice. How to engage with funding bodies

4. LEGAL ADVICE

- Legal documentation/ assistance for 'quick' formation of company limited by guarantee as laid down in conditions for funding
- Specialist legal advice. If CLU had a solicitor who specialised in this sort of work, it would have saved a lot of time

5. MORE GENERAL SUPPORT

- A resource worker would have been invaluable
- More focussed attention by CLU advisor – i.e. more of their time
- Support and advice would have been useful. Need funding for a project officer

6. OTHER

- A step-by-step guide about who people are: what they can actually do, where to find specific answer to queries
- By more help in a rigorous appraisal of the financial viability. The feasibility study by a forestry consultant made it all a bit too feasible
- Not so may forms. For each separate bit of funding and grant, they had to fill in different forms – paper or online. They all wanted basically the same information but set out in different ways
- Some overall general guidance right from the start on how to get a play park. They wasted some time before they contacted CLU

3.63 Finally the survey also collected information on how involved the CLU advisor had been in developing the project. The results, by project category, are shown in the following table. The category one projects report a much greater engagement with CLU staff than the other categories. Environmental and recreational projects (category 2) were less likely to report that the CLU advisor had been "very" involved. Altogether, almost half of the projects covered reported that the CLU advisor had been very involved. This represents around 70 projects across the full population.

Table 3.13: How involved was the CLU adviser in developing the project

	Mainstream community land	Environmental and recreational	Plot or block of land	Buildings and immediate site	No acquisition	Average across all project types
Very	67%	25%	48%	38%	58%	48%
Fairly	33%	50%	38%	38%	26%	36%
Not at all	0%	0%	3%	7%	11%	6%
Not sure	0%	25%	10%	14%	0%	9%
No response	0%	0%	0%	3%	5%	2%

3.64 Overall, there was almost unanimous praise for the CLU support. The face to face interviews recorded a great deal of positive comment including comments about CLU receiving "a gold star" for support or "10 out of 10" or that the support "had been a godsend". The postal responses and telephone interviews also support this positive feedback. Given the amounts of funding, it is reasonable to expect positive feedback, but much of this was about the delivery of other elements of support and particularly the flexibility and commitment to projects that respondents commented on. The other positive aspects from the face to face interviews were that CLU had provided:

- Help to complete application forms
- Professionalism and realism
- Legal and financial guidance
- Engendered confidence and moral support
- Listening
- Availability and flexibility (not over "strategised")
- Used experience to give a bigger picture
- Making cross project links.

Other issues raised

3.65 There were several examples where projects had been disappointed in the quality and timeliness of feasibility studies. It was not clear how much of this was the result of poor management by the projects themselves in ensuring that the final report was suitable and how much this reflected inconsistent work by the appointed consultants. This raised an issue as to whether CLU could play a bigger role in ensuring that these reports are adequate for making decisions and are being delivered on time. These may be isolated incidents, but if not, this should be addressed. Projects themselves believed that the local community should have a bigger input into the work. However, it is important that these studies are objective and need to be carried out independently using experience from other similar projects elsewhere.

3.66 The current structure encourages the production of positive results, since the consultants are hired by the community group undertaking the project, and this could lead to support for poorer projects. The CLU team are good at reading between the lines of these reports, but this should not need to be the case. There is little point producing these if they are not reliable. It may be more appropriate for CLU to commission the work directly.

3.67 This issue also highlights the difficult balance between leaving the project entirely to the community and taking action to protect CLU and SLF investments. This is a delicate balance and to date has not been too problematic, with CLU staff dealing sensitively with issues by offering guidance. The issue is how pro-active CLU should be in encouraging projects to keep to timescales and objectives. There is no clear answer to this, aftercare support is available to category one and two projects, but given the number of projects it can only be reactive. This works well where projects are motivated to keep in touch, but could be more problematic if they slip behind or lose touch. Perhaps a regular formal round-up of project progress would highlight any problems.

Summary

3.68 These conclusions are based on the survey findings. The main points are:

- the large number of projects that have been supported
- the very positive feedback from CLU clients on the delivery of the support. This endorses the methods of delivery and approach adopted by CLU
- although early to measure impacts, there is evidence of major benefits for communities across a range of indicators. Typically, around half the projects report a major impact on a number of social indicators
- evidence that the success of projects does not appear to be determined by type or geography but by the engagement of community and quality of leadership
- it is estimated that, to date, there are around 96,000 people living in communities hosting CLU supported projects and 4,500 directly involved in their delivery

- these projects contribute not only to the quality of life of residents in often rural and remote communities, but many specifically target groups that have more difficulty accessing services including the elderly and younger people.

- based on the returns to the survey, we estimate that all the projects assisted by CLU to date together support around 210 FTE jobs.

- we estimate that around 75% of these projects would not have happened at all without the CLU support. This is a high level of additionality, but varies between project types

- the funding was critical for 75% of projects. Advice and guidance was critical or important for 80% of the projects.

- from the feedback, CLU has made a major contribution to enabling projects to secure SLF funding. Almost certainly this level of satisfaction could not have been achieved though other delivery methods. Equally, the SLF funds have given CLU the opportunity to expand and achieve considerably more than could otherwise have been the case.

4 Evidence from consultations

Introduction

4.1 The second phase of the work has been a round of consultations with representatives from a number of the other agencies that support and work with CLU. These were:

- Scottish Executive
- Big Lottery Fund
- SNH
- Crofters Commission
- Crofters Foundation
- Communities Scotland
- Skye and Lochalsh Enterprise
- Scottish Enterprise
- Forestry Commission Scotland

4.2 The discussions focused on feedback on relationships and perceptions of CLU's performance and on their future activities. To maintain anonymity, the issues raised are organised by theme rather than organisation.

Roles and relationships

4.3 All the agency representatives interviewed were supportive of the work of CLU and the principles behind community land ownership generally. All have a role in supporting community ownership projects in some form either through providing advice or guidance to communities, directly funding a purchase or funding related projects such as housing or energy projects. All recognised the increasing number of projects and the growing importance that this model is having within the Highlands and Islands.

4.4 For SNH, the support of community ownership was linked to their understanding that these projects would make a significant contribution to the agency's objectives of protecting natural heritage. They do not however, distinguish between projects on the basis of ownership type. Private sector projects, that offered similar objectives, are treated equally. There was, though, a tendency for community projects to include environmental and natural heritage elements that made them particularly suitable for support and there was an assumption based on experience that local communities were good stewards of their local environment and heritage. The SNH representative felt that there should be a closer relationship with CLU and potentially a better understanding between the two. They are often approached as potential funders and a better understanding with CLU would help them to agree inputs before engaging directly with communities.

4.5 Communities Scotland also works closely with CLU and many of the supported projects have direct housing requirements which the agency supports, usually after a buyout. The land purchases of Eigg, Knoydart and Gigha to name the largest, have all subsequently been supported with considerable input from local housing associations. Community Scotland support is primarily concerned with addressing housing need, rather than issues of ownership per se, but the range of grants and support available is equally accessible to communities and can be used to support new builds or renovations. Given the importance of housing generally and for many of the land buy outs, Communities Scotland is keen to see earlier consideration of housing issues, ideally before purchase. While the housing associations involved in the major buy outs have given a great deal of time and advice, they have limited resources and it is not seen as a sustainable model. CLU was considered to be in a much stronger position to co-ordinate this role.

4.6 The Scottish Executive's Environment and Rural Affairs Department work with CLU in a number of capacities. In the development of the Land Reform Legislation there was always an expectation of a close working relationship with CLU. SEERAD must be independent of both communities and landowners, but it was considered imperative that they work together. Representatives from the Land Reform branch have been, and continue to be, keen to visit communities interested in ownership and explain the role of the legislation. This is seen as a separate role from discussions of potential funding sources which would be led by CLU. There was not considered to be any overlap with the CLU's activities.

4.7 To date demand through the legislation was reported as exceeding the Executive's expectations. They anticipated around 10 registrations of interest with perhaps two proceeding to purchase. In practice there have been 20 registrations (although around another 20 were rejected at an earlier stage). This includes multiple registrations from the same Trusts and some which have been deleted. Of these, land registrations for three Trusts have been activated, four are registered and four are pending.

4.8 The Crofters' Commission also has a close relationship with HIE that pre-dates the setting up of the CLU. The CLU approaches them for advice and the Commission also takes potential projects to the unit to explore the possibilities of support. There are numerous examples of this mutual support, Colonsay, Jura, Islay, the Uists and North Harris. The Crofters

Commission is often involved with communities before the CLU and is therefore in a good position to promote land ownership and where appropriate are able to refer cases. From their perspective, the CLU is excellent at keeping them informed and seeking advice. They also see CLU as slightly independent from HIE and more closely associated with delivering the Scottish Land Fund. The Crofters' Foundation valued their relationship with CLU highly. The emphasis was on the role that CLU has played in working with the Foundation in preparing contributions to the drafting of the new Crofting Bill. The CLU was considered to have added real value through their expertise in issues like wind farms.

4.9 The relationship with the Big Lottery Fund is through the contract to deliver the Scottish Land Fund and has been strong and mutually supportive. The relationship with CLU is described as being one of the best partnership arrangements BLF has. One of the reasons for this is the parallels between the Strengthening Communities strand of HIE activity and the aims of BLF. It is considered doubtful whether the level of community ownership activity that BLF has been able to support through the SLF could have happened without the contribution of CLU.

4.10 The John Muir Trust has contributed to several of the projects that CLU has supported. They see local people and communities as the best guardians of their environment and so the support of community ownership is a natural objective to support. JMT itself is an owner of seven estates in the Highlands and Islands, managed jointly under different structures. The relationship with CLU works well because of the flexibility and commitment of the CLU staff. JMT provides some support for projects, through presence on the boards of several of the major buy-outs, but their organisational remit makes it more difficult to provide revenue support for project development. They see CLU as having a good structure and a "fair bit" of autonomy over how they operate. This was a common perception among partners.

4.11 Another important relationship is with Forestry Commission Scotland, who themselves are developing more community driven models of management of forests. Engagement with communities is not specifically related to ownership, but more frequently reflected in partnership or joint management agreements (of which they now have over 70) and they were keen to stress the range of alternative models for engaging communities in partnership, other than through transferring ownership. The New National Forest Land Scheme includes a theme of "community acquisition by purchase or lease" that makes forest or woodland that is not on the disposal list available for community purchase. Their representative was able to point to several very successful woodland community buyouts, but emphasised that this was not always the most appropriate model. The relationship is also supported through CLU staff on the Forestry for People Panel and the Forestry Forum.

4.12 What emerges from the various roles is how central CLU is to the process and to the development of community ownership. While there are some relatively minor issues around relationships and strategic planning, the role of CLU is seen as being well co-ordinated and appropriate. There was no sense of overlap with other agencies' roles and a great deal of additionality was attributed to the support that had been provided both financially and through the advice given. Nor was there any sense that other agencies considered the areas that CLU operate in to be ones that they should be working in.

Feedback on CLU's current role

4.13 The feedback on performance and delivery of services was extremely positive. Almost unanimously there was praise for the way in which CLU and its staff had supported the sector and delivered what has now become a large number of projects. All those consulted highlighted the commitment and quality of the staff as the key reason for CLU's success. Above all other elements this was seen as having generated enthusiasm and respect among partners and communities which in turn has allowed progress to be made. This is not just about having a committed team; the more implicit conclusion is that this has given the CLU greater credibility with partners. Several comments touched on this, indicating that the CLU has "punched above its weight" and had developed a strong political role. It was considered politically very effective and good at managing relationships. This came partly from a perception that it was empowered to act in a fairly autonomous way that other agencies were unable to do.

4.14 The flexibility and perceived autonomy that the CLU has was a major strength. In an echo of the view of the project's own perceptions, partners often referred to the importance of CLU's ability to respond very quickly and positively in most situations. It was felt important that whatever the future structure, this element must be retained.

4.15 In terms of resources, there was a perception that CLU was at best busy and at worst becoming overstretched, although there was no evidence put forward that this had resulted in any negative effects on delivery. In practice, discussions with CLU suggest that it is internal "projects" that are lost as the "headroom" to develop new tools or systems gets squeezed. These views seem to be in line with CLU's feedback which suggests that there is little slack.

4.16 The quality of advice and guidance was highly regarded and there were no negative examples, although the close relationship with individual communities was a concern for several partners. Identifying too closely with projects could impact on the allocation of resources where project advisers either spend too much time on less important or potentially less sustainable projects.

4.17 The biggest form of promotion of land ownership is successful projects. CLU is seen as having successfully promoted community ownership and themselves as the key agency. This position has been built up through the respect that the team have generated and good management. The balance that is struck between actively promoting community land ownership and providing objective advice is a difficult one to strike and a potential area of conflict. CLU themselves, rightly make every effort to explain the advantages and disadvantages of proceeding and where possible are able (increasingly now) to take community representatives to see other projects. Joining up experienced communities with potential new community groups should become easier with more projects and is one benefit of a growing critical mass of projects.

4.18 Another strand of the CLU's work that was raised was the balance between supporting new projects and providing aftercare to existing ones. The importance of the availability of aftercare and ensuring sustainability was considered to be the biggest challenge now that the number of projects has grown so significantly. Views were divided on whether this would require further resources or not. Several consultees believed that the demands from some projects for aftercare would diminish fairly quickly once they were up and running, although others may need support for much longer. Whether or not the volume of work increases will depend on the balance between new cases starting and the level of work on existing cases reducing. It also depends on how proactive CLU expects to be in working with projects that may lose momentum and the role, longer term, that CLU expects to play.

Challenges

4.19 The single biggest challenge, raised by a majority of the consultees relates to the close relationships that CLU form with the projects and an implicit concern that this could reduce their objectivity in assessing the prospects and sustainability of communities. To put this in context, most interviewees recognised that working with projects in this way requires commitment and also trust from the communities, and on balance, these concerns were outweighed by the benefits of the approach. However, it remains an issue.

4.20 Despite this concern there were no specific examples of projects that had been supported that were not felt to be appropriate. The comments reflected a gentle caution about the role that CLU must play in balancing commitment and support with regard for sustainability. The CLU team themselves are very aware of how ineffective it would be to try and push, or "pressure cook" projects. Nonetheless, it is an issue that merits consideration in thinking through future structures.

Opportunities

4.21 There are number of opportunities for the CLU that potentially would expand its role over the next few years. Politically, interest in community asset ownership as a model for development is gaining ground in the UK and not just in rural environments. The Labour Party manifesto in 2005 argued for 'new opportunities for communities to assume greater responsibility or even ownership of community assets like village halls, community centres, libraries or recreational facilities' (p105). In England, there is a growing interest and funding for neighbourhood development that is tentatively considering the potential of community ownership of assets.

4.22 In line with this thinking, the Big Lottery Fund is now considering how its funding of community ownership could be expanded to other assets and to other types of community. CLU's position, experience and delivery of the Scottish Land Fund puts it in a strong position to provide support to these ambitions. This is discussed further in the next chapter.

4.23 Other consultees were less convinced of the opportunities for further growth. CLU was considered to have done an excellent job, but there was a reluctance to expand too fast or risk pushing forward projects that might be unsustainable. The perceived opportunities reflected the consultees' views of demand. These ranged from the number of projects slowing to a trickle, to others who believed there was likely to be a steady flow or even more growth.

4.24 There are other opportunities including roles to oversee consultancy work, greater use of models and templates and a major opportunity to support a stronger network organisation, which could take on more of the promotion role. These are developed in the next chapters.

Structures

4.25 The CLU's structure and the processes were considered by consultees to be good. Although CLU is within HIE, several consultees really considered it to operate as a separate unit and those that did not, commented on the relative autonomy that the CLU had in making decisions and reacting quickly to opportunities. There was no strong view from stakeholders that the structure required to be changed. Both the CLU and HIE's administration were considered to be good at putting together funding and supporting potential projects very quickly, both with finance and legal arrangements.

4.26 CLU was considered to be sufficiently independent and flexible and this was necessary to deliver the type of support that was needed. The idea of supporting a stronger independent network, however, was broadly welcomed, subject to possible funding issues. There were a number of benefits that this could help achieve, and these is discussed in the final chapter.

Without CLU

4.27 It is not easy to consider what would have happened if the CLU had not been set up, but the question helps us to understand the difference that it has made to the community ownership pattern in the HIE area. All the consultees believed that there would have been considerably less community ownership without it. One suggested that without CLU, the number of projects might have been around 5% - 10% of the current number. Even assuming that the Scottish Land Fund was introduced, the Big Lottery Fund did not think that they would have been able to support as many projects (or that they would have performed as successfully) without the CLU. It is impossible to know how another organisation would have performed in delivering SLF, but the consensus is that CLU has made a significant difference to both the number and the quality of community ownership in Scotland. For the organisations that work closely with CLU, it is seen as central to the development of the sector.

4.28 In summarising the views of consultees, the overwhelming impression was that CLU have been responsible for a significant increase in community ownership projects and that they have proved a committed, knowledgeable and effective team in delivering their services. They have shared and networked well across the sector and have also operated effectively within the political arena. This tended to lead consultees to conclude that the CLU should continue to operate in the same way and within the same structures.

4.29 As we go on to discuss, while this is an option, there are now opportunities for the CLU to both grow the sector and to strengthen the projects that have already been supported. In our view this does require consideration of different structures and the advantages that they might offer.

5 Opportunities and other wider issues

Introduction

5.1 The previous chapter introduced some of the opportunities and issues that were raised through consultations with stakeholders. This chapter uses the consultations, surveys and other sources to expand on these issues and to address the specific questions in the brief about:

- Future demand
- Distribution of projects and pan-Scottish role
- Scottish Land Fund and Big Lottery Fund
- Exploiting the growing network
- Sustainability
- Monitoring and evaluation.

Future demand

5.2 From the consultations, there was no clear view of how the sector would develop or the level likely demand. In fact, opinions ranged considerably from believing that demand was likely to slow, through predictions of a steady flow of cases to a view that there was likely to be growing demand. Understanding demand more fully is an area where additional research could usefully be done, but we suspect that this is a rather more complex issue than first appears.

5.3 Demand is driven by the number of communities that are seeking support for community ownership projects. This could be measured by the number of enquiries that the CLU receives, but one could argue that without information or understanding of the process and benefits of community ownership, the active demand will be subdued and it is the potential that should form the basis of developing policy. In September 2005, the Register of Community Interest in Land, where all registrations of interest are recorded, had three projects that had activated their right to buy (Assynt, 14.8 ha at Crossgates and a small piece of land at Silverburn), four registrations and two other community groups registrations are pending approval. Although these numbers exceed the Scottish Executives own projections, they are not large and support the view that, in the main, communities are likely to be opportunistic when land and property comes on the market rather than pro-active. It is also true that the legislation is primarily intended to encourage negotiated sale rather than to actually be used.

5.4 The pattern of enquiries and the evidence that communities are usually driven by short term opportunities suggests that demand is a function of:

- the assets that come to the market
- the level of publicity generated
- communities' understanding of the opportunities that ownership could deliver, and
- committed individuals
- the amount of funding that is available.

5.5 There is relatively little that can be done about the first, although the legislation is intended to encourage negotiation between landowners and communities and could bring forward some sales. In the case of crofting where the right to buy is stronger, this can be enforced.

5.6 The large number of enquiries in 2001, stimulated by publicity, indicates that this element of demand can be increased through promotion of success stories. The experience of the locating an officer in Oban also demonstrates how interest can be generated.

5.7 The third element, also points to one of the CLU's main roles in informing communities of the opportunities, the benefits and the processes. Even with the opportunity, publicity and resources, communities themselves must be in a position to understand the costs and benefits and this will vary in each case. The benefits are potentially different for different communities. A case in point is the emergence of renewable energy, particularly wind generated power, which can be a valuable source of income for some projects. Others may have more tourism potential and some may simply offer opportunities for better management of existing assets. In order to judge potential demand, communities would have to be aware of the potential costs and benefits.

5.8 Finally, it is also a large investment of time and effort for any individual involved (although the benefits may accrue to the community as a whole). This can be a disincentive to any individual taking on responsibility in the short term even if the longer term benefits for the wider community are significant. Communities must be confident that they can develop structures which will not over burden individuals and will have adequate succession strategies in place.

5.9 These factors mean that it is extremely difficult to assess potential demand, in fact many of them are driven by the CLU and stakeholders' own activities. They emphasise the importance of CLU's role in providing information, promoting projects, supporting individuals and ensuring that there are succession plan in place.

5.10 Our view is that while there will continue to be a steady flow of larger projects, there could be an increase in the smaller scale, strategic projects, particularly if CLU is able to promote more good examples. With the possibility of BLF broadening the type assets covered by community ownership, demand could be given a further boost.

5.11 The Scottish Executive had no clear expectation of demand. They considered the level of interest to be broadly as anticipated and were content that CLU continues to deliver services that help communities use legislation. The key was not that the legislation should be used, but that it encouraged negotiation and gave the community a stronger position. To make the most of this, it is important that communities are aware of the opportunities and in this the CLU was seen as playing the key role.

Distribution of demand and pan Scottish role

5.12 CLU delivers HIE's support for community land ownership and also, in partnership with Scottish Enterprise, delivers the Scottish Land Fund as the award partner for the BLF. It is important to distinguish between these two roles. The SLF support is delivered Scotland wide (both HIE and SE areas) but the other work and investment that CLU carries out is within the HIE area. This evaluation focuses on the HIE investment rather than SLF, but this is a factor when considering the future role of CLU as it effectively supports the jobs of a large proportion of the team. One of the issues raised by the CLU team and several consultees is the anomaly that communities in the SE area get less support than those in the HIE area.

5.13 This is a direct reflection of the priorities of the two agencies (HIE and SE) and their decisions on how they allocate funding. We understand that this is unlikely to change in the near future. HIE's Strengthening Communities activities are based on the agencies assessment of the area, as are SE's. SE has ring-fenced a fund of £250,000 for supporting land ownership projects *which can demonstrate economic benefits* for the community, although this has not all been invested yet. SE also has a virtual land unit, which operates through the LECs although the funding is held centrally.

5.14 This issue is often linked to support for the Land Reform Act and indeed HIE and SLF are the main sources of funding to help communities take advantage of it. However, this is legislation overseen by SEERAD, while the HIE (and SE support) is through SEETLLD.

5.15 As long as the current structures and priorities remain in place, there will continue to be differences in the support of projects across the two areas. However, a Scotland-wide Community Land Unit (or equivalent) would not have the restrictions on working in the SE area that HIE has. Under the New Towns Act, SE are permitted to work within the HIE area but HIE cannot work within the SE area. The CLU can deliver the Scottish Land Fund across Scotland because it is working in partnership with SE.

5.16 A separate unit may also make it easier for SE to purchase services or support programmes (although these would require a specific economic focus). This would allow SE and several of the more rural Scottish Enterprise Network LECs in particular to work directly with the unit and to use its experience.

5.17 A majority of consultees considered there to be a big difference between the demand for community ownership in the Highlands and Islands and in the rest of Scotland, where it was said that there was not the same appetite for community ownership. The reasons were largely historic, with the rural Highland communities seen as traditionally more self sufficient than those in the South. The support structures in the Central belt tend to be focused more on urban regeneration related projects and social enterprise, rather than community ownership. The Scottish Land Fund does have an officer based in Edinburgh, although they cover only SLF and not CLU duties. The take up of the Scottish Land Fund gives some indication that there are potential projects, but demand will only truly be tested by basing a CLU project officer in the area.

The Scottish Land Fund and the Big Lottery Fund

5.18 The Big Lottery Fund and the Scottish Land Fund have been the biggest drivers of the community ownership. As one consultee said, they "put petrol in the tank" of the legislation allowing communities to seriously consider the prospect of purchasing the land they live on.

5.19 The Big Lottery Fund's draft report "Developing a manifesto of community investment - responding to consultation and identifying areas of investment" puts forward four areas of investment in Scotland:

- Building Capacity
- Community Assets
- Life transitions
- Supporting 21st Century Living.

5.20 The second of these is the most relevant to HIE and CLU. This would cover community assets and enable communities to acquire, improve, manage, enjoy, understand and sustain environmental and other assets for the benefit of the community and the wider environment. It would relate to *all broadly-applied asset-based regeneration* and would be done in a way which promotes community capacity in asset management and how to deploy and sustain these assets as a basis for delivery of high quality services.

5.21 This fits neatly with HIE's wider Strengthening Communities aims and with the experience of CLU. In fact the CLU's broadening support of a wider range of community assets is very much in line with the spirit of these ideas. If, as seems likely, funding is made available to support this type of activity, CLU would have a pivotal role to play. It could open up new areas of activity, but equally importantly help to support the aftercare and development work that would be needed.

5.22 Aside from the direct benefits that this wider set of projects might be expected to deliver, there are also some other more subtle advantages. One of these would be that **the availability of funding for a broader range of assets would be likely to be of real value to *existing* community trusts (which CLU has helped to set up)**. This new funding would help to deliver an immediate exploitation of the structures that have been put in place. For example, support for forestry equipment and vehicles would greatly help communities that would otherwise be unable to take forward plans to generate income.

5.23 A second, significant benefit is that the new proposals would allow stronger developmental support. At present SLF is restricted to development funding for land based projects. The new proposals would provide more flexibility, which again would help to improve the likelihood of stronger more sustainable projects. Given the emphasis among consultees on development of projects rather than just ownership, this would be a valuable step.

5.24 Broadening out the range of community assets that could be supported provides a new range of opportunities and challenges. Urban areas would require very different support, but the experiences of CLU in, for example, setting up companies, ensuring community support and providing information will have considerable relevance.

Growing network –critical mass – building evidence

5.25 Having now supported projects for eight years, the CLU, its partners and the projects themselves have built up a considerable amount of experience of community ownership. With 140 community projects supported, development officers in a large number of the bigger ones and organisations like the Community Woodland Association, there are a large number of projects and people from which to draw experience. In 1997, the support of community ownership was described as a step in the dark. Since then there have been big changes as CLU and others have developed their own expertise.

5.26 The experiences of all the big land purchases in the early days have helped shape the approaches today and it is important that in whatever form CLU continues to operate, this experience is built upon. In this regard, retaining as many of the CLU team as possible, is important, but so too is keeping involved those that are working as development officers across the region. In addition, as capacity is built up locally, there will be opportunities for people in community organisations to work with others, possibly in neighbouring areas.

When we also consider the possibilities for developing more tools, templates, guides and to further exchange lessons and share experience, there is real potential to develop a strong network. CLU is addressing this exchange of practice, but there is a risk that it is less of a priority than supporting individual projects, particularly if it becomes more stretched.

5.27 With perhaps as many as 4,500 people involved across communities in the Highlands and Islands, strengthening this network would be a significant benefit in generating publicity, helping all projects to realise the potential benefits and stimulate enthusiasm and support.

5.28 There may also be benefit in considering whether development officers might work for shorter times across more projects. Currently funding is usually for three years, although this can be used over a longer time. This allows the officer to settle into the community, but it may also make the communities too dependent on external support over a fairly long period of time. Flexibility in the structure of development support could allow larger projects to have longer term placements, but shorter contracts in others or perhaps shared between neighbouring projects.

Monitoring and measuring achievements

5.29 Measurement of progress for CLU is complex. While it is relatively straightforward to measure activities, the true measure of success is the long term sustainability and development of the communities that are assisted. Because community development can cover such a wide range elements, any framework that aims to be complete rapidly becomes complicated and burdensome. The CLU has a range of approaches. The baseline studies that are undertaken by the larger projects at the outset provide the broad "condition" indicators for the community. Producing a baseline for communities is notoriously difficult as published data is rarely sufficiently accurate or is misleading. We understand that CLU is revisiting the baseline framework to make it more reliable.

5.30 CLU's own activities are monitored through the management reports and the progress of projects, primarily activities, are provided as part of SLF monitoring. Five year evaluations are carried out of the larger projects and this evaluation has taken an overview of the impact of CLU and the benefits that projects have brought to their communities. There is also a community capacity "ladder" that can map the strength or progress of communities against a series of milestones.

5.31 The main gap appears to be in the lack of data collected independently by the projects themselves. As community organisations it will become increasingly important to demonstrate the difference that they are making, both to residents and to those that have funded them or could do so in the future. Our perception was that monitoring was not very high up the agenda of project development officers. Relatively simple measures like the number of residents, the number of visitors, new businesses, and use of facilities were generally not known.

5.32 It would not make sense to encourage communities to adopt complex monitoring models, but there could be better guidance to help development officers and project managers consider:

- the theories of change behind their activities – in other words, how what they are doing is expected to lead to achieving their objectives
- think about how they can tell if their activities are making a difference – even qualitatively, what would they expect to see happening as a result of their work
- provide some guidance on measures that could readily be used – simple examples such as a definition for the number residents, how they could estimate the number of visitors to a site or facility, keeping a record of participation at events, using data from accommodation providers to demonstrate changes in tourist numbers etc.

5.33 Rather than try and develop a formal and detailed framework that attempts to cover every type of impact, projects should be encouraged to develop their own methods for measuring some of the key things that will contribute toward them achieving their objectives (and those of their funders).

5.34 At the moment monitoring this type of progress and clearly making the links between what they do and what they want to achieve only features on the agendas of the best organised trusts. A first step would be to produce guidance around the setting of more measurable objectives.

Emphasis on sustainability

5.35 This was the single biggest concern of consultees and was raised a number of guises. For example, concerns over succession of community management, maintaining momentum and the opportunities to generate income. The CLU currently has a team of three aftercare staff that work with the bigger projects and their role is highly valued. The consultations suggest that attention is now turning from *whether* communities can manage their own land and assets to *the outcomes that this can generate*. This represents a shift from activity based assessment to measuring the results. This is a theme that runs throughout our analysis.

5.36 These benefits, as have been discussed will develop over time, but it is extremely important that the opportunities that land or asset ownership present to communities are taken (or at least are not lost) because of a lack of support. It does not follow that CLU or any other publicly funded body should need to invest much more time or money in projects, simply that they are aware of progress and any barriers that these projects face.

5.37 Keeping community projects informed of opportunities, links and funding would be a major role for a stronger network. This could involve exchanges and visits from other small projects. CLU too could have a role by extending aftercare to cover some of the relatively smaller projects. Although there were mixed views on whether more resources would be needed, we would suggest that a simple follow up to ensure that projects are maintaining momentum (and to help in monitoring progress) could re-enthuse some communities and open up opportunities. There is a balance to be struck between letting communities develop in their own way and intervening to encourage development. At the moment, with limited resources, CLU is forced to be mainly reactive to the demands of communities. More time would allow some basic follow up with a wider range of projects.

Structure

5.38 In terms of structure, the evidence indicates that this has been a strength of the CLU to date, it has benefited from the support of HIE and retained sufficient autonomy to manage its own activities effectively. There is no doubt that it could continue to operate effectively within the existing structures. The advantages would be mainly that it is a proven model, that communities and partners know who they are and what they do. Relationships are well developed with partners and communities. Internally the structure and system works well, with good support from HIE's central functions.

5.39 The arguments for changing the structure are based on the opportunities for further development rather than on any failure of the existing structures. The possibility of playing a bigger role, ambitions to carry further the teams' objectives of greater community ownership and opportunities to attract more funding is likely to be better achieved through an independent or semi-independent organisation.

5.40 A final argument would relate to scale. With the number of communities reaching 150 and continuing to grow and opportunities for additional funding through the BLF there will be a need for increased resources. Even if this is funded by other partners, the unit could become too large to sit comfortably within HIE.

A new Scottish CLU

5.41 An independent CLU could continue to deliver its existing services under contract to HIE and in partnership with SE, to BLF. This would may depend on BLF's ability to contract with a new organisation and is likely to require a high level of audit and other procedures. However, as an independent organisation, it would be able to access other sources of funding that it cannot as part of HIE (from charitable trusts for example or from BLF to provide aftercare support to projects funded by SLF).

5.42 It could work pan-Scotland in a way that it cannot as part of HIE. By joining up existing forms of support, this might be a concept that SE would be keen to work with. Consultees stressed the availability of support for social enterprises and forms of funding from the private sector, particularly in lowland Scotland, and a national CLU would be able to ensure that this was more effectively joined up for community projects. With appropriate funding it would be able to use the experience of the HIE area to help projects elsewhere in Scotland, potentially including urban initiatives.

5.43 It would continue to have the flexibility and autonomy to deliver services and potentially expand the type of support it offered, using the team's experience. As an independent organisation, this autonomy would be ensured.

5.44 An independent, or semi-independent, CLU would also generate new interest across Scotland. One of the factors in demand is the promotion of community ownership as a model for community development. A new CLU would itself generate new interest, but it would also be freer to promote the model more explicitly. Although the CLU has been doing this, as part of the funding body it must also retain balance and objectivity. As an independent organisation, there would be a clearer separation of the roles of working with projects and funding them. HIE would continue to make decisions on the allocation of funding. The effect would be to help mitigate concerns about working too closely with projects.

5.45 As with the networking organisation, there would be benefits in having a Board that could bring together other agencies directly. This would help strengthen relationships in the sector, build support and encourage joined up thinking at a strategic level, for example with SNH and Communities Scotland, Crofters Commission and possibly a representative from the Community Woodland Association or other network organisation. An independent CLU would require financial and legal support, which ideally could continue to be delivered by HIE.

5.46 Finally, while there is strong political support for the CLU and its aims, this might not always be the case. Changes in policy could affect the support of community projects. While changes in the allocation of government and lottery funding would greatly reduce the way in which an independent CLU could operate, there would continue to be other sources which could be used to support projects. Independence would help embed the model and hedge against long term policy changes.

5.47 There are disadvantages. The operation of the model would depend on funding and partners willingness to support the new Unit. There is no doubt that initially, being part of HIE was a strong selling point in securing the agreement to deliver the SLF. BLF would have to be convinced that outside HIE, the CLU would continue to be as robust. While it might be a more independent voice for the sector, it would lack the weight of being part of HIE.

5.48 From HIE's point of view, the main advantage would be that the new organisation would have an opportunity to lever additional funding into the region that would be used to help address its strengthening communities objectives. HIE has now helped to set up a number of independent and semi-independent organisations that deliver elements of their strategy and which started off as internal units such as HI Arts, the Renewable Energy Unit, HI Social Enterprise Zone and Fusion. This is a well-tested model and HIE will know well the opportunities and pitfalls. For the CLU, it offers a range of attractions particularly if funding arrangements can be agreed with HIE and BLF in particular. It would represent a major shift to a new phase of community asset ownership

6 Performance against objectives and value for money

6.1 In this section we assess performance by looking at the CLU's activities and set out the key outputs achieved. The final section considers value for money. The analysis uses the survey results and CLU's own measurement data collected over the past seven years to assess progress.

6.2 The measurement data provided by CLU is valuable, but over time the categories used for collecting data have changed making it difficult to aggregate the results for the full period. For example, it records 90 acquisitions, but prior to 2002 acquisitions were recorded under a broader heading of "initiatives assisted". This heading will also include other forms of support that were only disaggregated after 2002. These provide some indication of the scale and breadth of activity but the performance against targets is the most useful indication of achievement. Overall, as the final column in Table 6.2 shows, the CLU has broadly met or exceeded most of the targets it set each year and these directly contribute to the Strengthening Communities objectives.

6.3 The CLU's objectives are largely related to activities rather than outputs. This means that they tend to cover the things that the CLU itself can do rather than the effects that it has. It also means that assessing CLU against these objectives does not give a sense of the value of its work.

6.4 There may be merit in reworking the CLU objectives to reflect the outcomes the team hopes to achieve rather than its activities.

6.5 This first section uses the evidence from the CLU data to address CLU's objectives (Table 6.1). The remaining sections look more closely at evidence of outputs and value for money.

CLU objectives

Table 6.1: Summary of activities against CLU objectives	
To promote community-led land purchase or management initiatives, including joint management and other partnership arrangements with	Actual promotion activity reported includes 37 press releases, 26 exchange visits, 15 publications and 179 presentations since 1997 (although the changes in categories mean that in some years, data was either not collected or was included under another heading, for example, press releases were only recorded after 2002, and presentations before then). These figures, with the exception of the large number of presentations are all close to the target figures (Table 6.2). In terms of partnership arrangements, among the projects supported almost a third (31%) had some form of joint management or partnership arrangements (this rises to 50% for woodland projects). These figures are representative of projects that have received financial assistance.

existing owners.	Our understanding is that the emphasis of support has primarily been on supporting community ownership rather than other management arrangements, but the survey results show that whether or not projects proceed with acquisition, many are engaging in partnerships. We would conclude that there is strong evidence that CLU has met this objective.
To provide advice and support for community land initiatives, incorporating the exchange of best practice	In terms of the promotion of community land purchase, since 1997 to the first quarter of 2005, the CLU had provided 258 grants to a total of 141 projects (community organisations). HIE/CLU grant funding for all 141 projects was £3.7m. The performance measurement reports suggest that the CLU has achieved the targets it set itself for support delivery. These include support for 90 acquisitions (since 2002), technical assistance for 160 projects, 100 communities assisted in setting up community enterprises. The evidence from the survey of 90 projects further supports the role that CLU has played. A CLU adviser was "very" involved in 48% of projects and "fairly" involved in 36%. The qualitative feedback from the survey set out in Chapter three provides evidence of the extensive role that the CLU has played in supporting projects. The second element of this relates to exchanging best practice. The measurement data indicates 26 exchange visits supported since 2002, but there have been other actions supported. Development of policy papers, contribution to conferences, development of templates for communities to use in setting up agreements, the support of the Scottish Community Land Network.
To contribute to the research and development of policies related to community land initiatives	The CLU management data demonstrates the scale and scope of research and development work undertaken. More importantly the feedback from the consultations indicate that the CLU input has been very highly valued, both by the crofting organisations and community right to buy. Consultees felt that the CLU inputs added real value to the joint contributions on draft legislation. CLU also continues to develop its monitoring and measurement research, with the major projects carrying out full evaluations and the development of a community capacity "ladder". We suggest that further targeted research into measuring some of the community benefits is carried out in the future, but are confident that the CLU has met this objective.
To deliver the Scottish Land Fund	This has been done very successfully. BLF reported that the relationship with CLU and the delivery of the SLF was perhaps one of the best examples of delivery of a programme through their Award partners.

6.6 We conclude the CLU has successfully met the team's objectives as set out in the brief. Of perhaps more relevance is firstly, whether these activities have contributed to the strength of the region's communities, and whether the scale and scope of the results represents value for money. This is assessed in the next section.

Table 6.2: The CLU activities, June 1997 to April 2005

	1998/99		1999/00		2000/01		2001/02		2002/03		2003/04		2004/05		2005/06		Targets excl. 2005		
	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	Target	Actual	**Target**	**Actual**	**Diff.**
Promotion																			
target areas									3	3	3	1					**6**	**4**	-2
press releases									10	18	10	6	15	13	15	1	**35**	**37**	2
publications											5	7	8	8	8		**13**	**15**	2
exchange visits									10	10	10	6	10	10	10		**30**	**26**	-4
presentations	0	19	0	4	0	24	30	125					5	7	5		**35**	**179**	144
conference/events assisted	0	6	0	2	0	5	10	2									**10**	**15**	5
Assistance																			
community initiatives assisted	5	5	4	19	10	23	40	28									**59**	**75**	16
infrastructure development							20	5									**20**	**5**	-15
technical asistance	20	20	20	29	20	24	80	64	70	45	50	45	40	51	40	12	**160**	**141**	-19
pre-acqisition advice													10	17	15		**10**	**17**	7
acquisition cases									30	39	30	28	30	21	25	4	**90**	**88**	-2
development/infrastructure									10	6	10	6	5	6	7	1	**25**	**18**	-7
community enterprises created	5	5	5	6	5	5	25	28	25	25	25	19	10	13	12	2	**100**	**101**	1
incorporations													10	15	12	2	**10**	**15**	5
Capacity Building and Aftercare																			
capacity building events									5	3	5	4	10	8	13		**20**	**15**	-5
post acquisition support													30	25	22		**30**	**25**	-5
community animateurs trained	0	0	3	0	3	6	10	3	4	5	10	6	6	6	6		**36**	**26**	-10
innovative revenue projects									6	7	6	7	6	6			**18**	**20**	2
training needs analysis											15	15	8	3			**23**	**18**	-5
Operation																			
policy papers													3	4	3		**3**	**4**	1
adoption of new management systems													5	1			**5**	**1**	-4
crofting community support policy											1	1					**1**	**1**	0
review of eligibility criteria											1	1					**1**	**1**	0
land registration policy											1	1					**1**	**1**	0
specialist support									2	3							**2**	**3**	1
five year evaluation									3	1	2	2	3	2	3		**8**	**5**	-3
SLF progress reports											50	43	40	43	25		**90**	**86**	-4
research studies	2	2	2	2	2	2	2	3	3	4	3	5	3	5	3		**17**	**23**	6
sectoral development													4	4	4		**4**	**4**	0

Outputs

6.7 In any evaluation it is important not only to consider the delivery of activities but also to assess the outputs that have been achieved and how these have contributed to objectives. This section summarises the main outputs reported from the survey and considers the extent to which these represent an additional contribution to the Strengthening Communities objectives.

6.8 The outputs generated by the projects cover two areas. Some relate to changes to community infrastructure and capacity in the region (primarily social indicators) and others relate directly to social, economic or environmental benefits. The key outputs are:

  - over 100 new community enterprises have been set up
  - there are around 96,000 people living in the communities covered by the 141 projects
  - an estimated 4,500 residents directly involved in managing these projects

- from the total of 141, the following number of projects reported a ***major* effect** on:
  - the engagement/participation of the community as a whole (80 projects)
  - community empowerment (80 projects)
  - strengthening social networks (61 projects)
  - increased skills and capacity (54 projects)
  - inclusion of hard to reach groups (54 projects).
- 32 of the projects considered themselves to have a major impact on job creation**.** We estimate that the projects support 210 FTE jobs.
- 41 reported a major impact on new income streams
- 18 reported a major impact on the number of new businesses
- in 63 projects there has been a major impact on landscaping and/or other environmental improvements.

6.9 Bearing in mind that the average community is around 990 residents and directly involves 32 people, these benefits are likely to impact on a relatively large number of people. For example, if we assumed that 54 projects have had a major impact on skills and capacity building, this is likely to cover at least the 1,728 people directly involved. On the same basis, a major impact on social networks (61 projects) would affect almost 2,000 people.

Net outputs

6.10 To assess the difference that the CLU support has made these estimates should all be adjusted for non-additionality, or the extent to which these outputs would have been achieved without the support. Based on the survey results we estimated that 75% of these projects would not have taken place without CLU support. This means that, on average, 75% of the benefits reported would not have occurred.

6.11 In relation to the measures of new business and employment supported, it would be normal to make an allowance for displacement. This would occur where the projects create jobs or income that would have accrued anyway in other areas and to other businesses. At the HIE area level, displacement is likely to be high for many of the types of activities that are supported, but in this case, where the activities are specifically supported to strengthen local communities, displacement is not relevant.

6.12 On this basis we estimate that the CLU investments have supported 160 additional FTE jobs (both new and safeguarded) in the communities, including the direct employees of the Trusts. We have used the assumptions in the previous section to provide estimates of the number of people that are likely to have benefited from the project and adjusted these results to allow for non-additionality. The net outputs are shown in Table 6.3. These should be considered as indicative given the range of assumptions used, but they give a basis for assessing performance.

Table 6.3: Estimates of impact for selected indicators

	Gross	Net
Employment	210	160
Participation	4,500	3,375
Skills and capacity (major effect)[1] no. of people	1,700	1,300
Strengthened social networks[1] no of people	2,000	1,500
Impact on inclusion of hard to reach groups[1] no of people	1,700	1,300
New community enterprises[2]	100	75
Communities with new income streams	41	30
Communities with at least one new business (Ex Trusts)	16	11

Value for money

6.13 Value for money reflects the outputs that have been achieved relative to the costs. There are challenges in assessing both sides of this equation. What is apparent is that there is no simple measure that can bring the range of benefits together and the long term nature of the

[1] Assuming that the average project has 32 people involved in some capacity and that they are the main beneficiaries. In practice these projects will have much wider effects.

[2] Based on the CLU data

objectives of strengthening communities mean that even if it were possible to quantify and aggregate the benefits, this would still only represent a partial indication of performance.

Costs

6.14 In one sense the costs of the support are relatively straightforward. We know that CLU has invested £3.7m in supporting projects, with an additional cost associated with operating the unit and delivery of the funds. In cash flow terms this is a direct outflow from HIE.

6.15 Most of the funding is used for acquisition and the assets that are bought with the CLU funds are likely to retain their value (or may depreciate or increase in value over time). This can be compared with for example, investment in computers which will depreciate more rapidly, feasibility reports which have a limited shelf life or other forms of community development support which are more likely to be short lived. When considering value for money therefore, we should also recognise that the true cost to society is the depreciation of the asset rather than the one off cost.

6.16 To further complicate matters, many of these projects also received a range of other funds, of which the Scottish Land Fund is the largest. From a public sector point of view the investment is much greater than just HIE's input and the benefits are the result of both the funding package and the advice and support.

Benefits

6.17 The net benefits cover such a wide range of factors that it is misleading to focus simply on one or two, although the previous section used figures to give some examples. In practice community ownership provides a package of benefits many of which are intangible, but are potentially powerful in building stronger communities. A second issue is that although the CLU support was considered to be an important and often critical factor in enabling the project, so too would be the other forms of support. On this basis the benefits reported here could also legitimately be claimed by the SLF funding. It is possible for a number of factors to be "critical" and in this case both the CLU support and SLF funding work in tandem. Projects would not have proceeded if either had not been available. This makes it difficult to separate, particularly as the projects themselves tended to see the funding as a package and would argue that if any element had not been present they would not have been able to proceed. From HIE's point of view, we assume that the net benefits are the result of their activities.

Analysis

6.18 For a total grant investment of £3.7m, supporting 160 FTE jobs would give a cost per job of £23,125. On its own this would represent fairly modest value for money, but together with the range of other impacts this would give a more respectable return. When we also consider that these benefits are expected to continue indefinitely and potentially drive further employment, this further improves the position. Many of these projects are at an early stage and the benefits that have been reported would not only be expected to continue but to grow.

6.19 It would be unwise to simply focus on the reported employment estimates. For example, the major impact on social networking that we estimate may have impacted on 1,500 people could well generate a range of new opportunities within communities.

6.20 Assuming that the benefits reported in the survey impact on the estimated 4,500 people who have directly participated in the supported projects, this would equate to an average of less than £1,000 of HIE funding per person. Given that these benefits would be expected to continue and to encompass a wider group within these communities over time and coupled with effects on employment and new businesses, we would conclude that this represents a cost effective way of delivering the objectives of stronger communities for HIE.

7 Conclusions

7.1 In this final chapter we draw together the results and issues raised and use the evidence to address the questions in the brief, we then set out a number of options for the future development of the CLU.

Overview of key findings

7.2 The evaluation indicates that the performance of CLU against its objectives and its contribution to Strengthening Communities has been very positive. The research, through surveys and consultations, presents a consistent picture. The survey indicates that CLU has been the main driving force behind an increase in community asset ownership and that these projects are delivering a wide range of benefits. HIE's investment in CLU has helped to engage 4,500 people and has had major impact on a number of social development indicators.

- Between May 1997 and April 2005, the CLU awarded 258 grants to 141 community trusts and helped to set up over 100 new community enterprises
- Feedback from projects on the delivery of the support was exceptionally positive, endorsing the methods of delivery and approach adopted by CLU
- The most cited impacts of the projects relate to social benefits, with smaller numbers reporting major impacts on environmental and economic conditions. Across project categories, mainstream land purchases and buildings and immediate sites were more likely to report benefits
- It is estimated that, to date, there around 96,000 people in communities hosting CLU supported projects and 4,500 directly involved in their delivery
- We estimate that around 75% of these projects would not have happened at all without the CLU support. This is a high level of additionality, but varies between project types with additionality higher for the environmental and recreational projects
- The funding was critical for 75% of projects and advice and guidance was critical or important for 80% of the projects
- In terms of net outputs we estimate that the CLU support has:
  - Increased employment, in the supported community areas by 160 FTEs
  - Led to the participation in community projects of 3,375 people

- Had a major effect on the skills and capacity of 1,300 people
- Had a major effect on the social networks of 1,500 people
- Led to the creation of 75 net new community enterprises
- Helped 30 communities to generate new income streams
- Helped 11 communities to create at least one new business

- Based on HIE's funding awards of £3.7m, this would indicate a cost of around £1,000 per net additional participant. Given the range of benefits, their longevity and that they would be expected to increase as projects developed, this represents good value for money

- These projects contribute not only to the quality of life of residents in often rural and remote communities, but many specifically target groups that have more difficulty accessing services including the elderly and younger people

- CLU's role is seen as having been critical to the development of the sector and it has strong relationships with almost all its partners and there was no overlap with other agencies.

- Its strengths are the commitment of the team, its leadership, flexibility and expertise. This in turn has helped build its credibility with partners and within the sector. Its main weakness was a perception that the team could become too close to projects and that this could obscure their objectivity in making recommendations for support

- The agreement with BLF to deliver SLF in partnership with SE is considered to have been very successful. As a result the HIE area has benefited substantially from the investment. Almost certainly the level of activity that has been achieved would not have happened without SLF, but equally, it is recognised that this could not have been achieved without CLU.

- Finally there should continue to be a shift from focusing on making things happen (activities) to considering the results that these things generate (outcomes). This shift would mean a greater emphasis on sustainability and the quality of projects rather than the number of projects and interventions. This has implications for the shape and focus of future services.

Ways forward

7.3 This evaluation covers a great deal of ground both looking backwards at the performance of the support delivered by the CLU and looking at the future structure and direction of the CLU. In this final section we bring together some of the main suggestions and recommendations.

7.4 Overarching any suggested changes is the development of the BLF and proposals to broaden the Scottish Land Fund. This could have a major effect on the way in which the CLU develops. The CLU's experience in delivering the SLF, in partnership with SE, stands it in good stead to play a leading role in the delivery of this fund. It would certainly be an opportunity to grow and strengthen the sector in the Highlands and Islands and potentially elsewhere.

The opportunities and the range of benefits that were discussed in Chapter five lead to a conclusion that there is a strong case for the CLU to operate outside the HIE structure. This model could potentially increase funding, provide more flexibility, bring in new partners and allow the CLU to work across Scotland. It would also more clearly separate working with communities from the funding decisions. This should be a medium term objective for the CLU subject to funding discussions.

7.5 One fairly obvious but nonetheless striking issue in reviewing these projects is the number of people involved and that this is growing with each new project. Together with the CLU team and relationships with other partner organisations, there is a strong network and capacity being built up. This is not just within communities but also across them. There are a growing number of project-based development officers and more and more people are building experience in what, until 5 years ago, was a relatively small expertise base. This presents some opportunities. For example, it provides a bigger support network, there are economies of scale in providing tools and information, it makes the development of projects more sustainable and provides a pool of expertise across the area that can be drawn into new projects. Whether or not this represents a critical mass is unclear, but it does provide a platform of experience which should make future support even stronger.

7.6 To make the most of this expertise, we suggest that it is a good time for HIE/CLU to provide support for a network organisation to join up and share this experience, promote the sector, provide information and contacts and ensure that every community that owns an asset is part of it.

7.7 At present CLU supports the new Scottish Community Land Network, which aims to fulfil some of these functions, and we are aware that there have been attempts to develop networks before (CLAN for example), but that these have not been sufficiently broad or well funded to really drive the sector forward. The Community Woodland Association is the best known example and works well for forestry and woodland projects, but there is an important role for a wider organisation. This could be based on the CWA, but should be funded to employ a full time member of staff.

7.8 The network could also bring together the public sector partners that operate in the sector, either through a forum or as part of an advisory group.

A separate network organisation, owned and controlled by members, would help to join up experience, promote the community ownership model and help to generate demand.

Like the groups it works for, the network should include every community that owns an asset. The extent of the network's role, in relation to the CLU, would require careful planning, but organising events, working with development officers, co-ordinating training, advertising vacancies, signposting and providing links to sources of information and funding could be part of the remit. Longer term and depending on CLU's status, this remit could be broadened.

7.9 Sustainability was one of the concerns raised in consultation and this is linked to ways in which the projects are supported after the initial purchase. It still seems unclear as to when projects no longer require CLU support and whether the number of projects that CLU can exit from is likely to be as high as the number of new projects that are supported. If not, then the aftercare role will increase (or less time will be dedicated to it). No projects have failed yet and this is an endorsement of the selection procedures and support efforts, but as the number of projects continues to grow, the emphasis turns from *whether* communities can manage assets, to *how effectively* they do it. CLU recognised this by increasing the resources in the aftercare team, but it is likely that the demand on them will grow, particularly if there are projects which require support to maintain momentum, more complex financial and legal arrangements are used and if projects become more adventurous. Currently aftercare is provided to the larger category one and two projects only, however it remains important that momentum is maintained with all projects and this would further increase demand on resources.

7.10 At present, aftercare is not provided to projects outside the HIE area. This is considered by CLU to be a major gap in support given that SLF grants are awarded and the Land Reform legislation provisions apply Scotland-wide. These are issues that could be overcome through an independent CLU as long as funding was made available.

We suggest that there be further emphasis on aftercare, or at least sufficient resource to allow all projects to receive at least a minimum level of service, which would include follow up contact to assess progress, identify barriers and ensure momentum is maintained.

7.11 As well as aftercare, another determinant of sustainability is ensuring that projects have access to information and signposting. We were reminded that there are other organisations and programmes to provide support for social enterprises and housing as well as the increasing involvement of social banks and other lenders. Making sure that community owned projects are linked to these other sources is essential if ownership is to develop into genuine community development. This type of support could be delivered through CLU or potentially through a network organisation. Developing electronic resources such as tools, collecting monitoring data, links to other forms of support on a web-site could be a valuable addition to the service and help join up the sector.

The CLU should consider how it could make more use of web support. E-mails already play a big part in supporting projects and a start has been made with the SCLN website, but there may be tools, forms, monitoring data, links and key contacts in other communities that could be brought together on a web site. This could either be a task for a new network organisation or the CLU.

7.12 As projects seek to become self funding, developing some form of social enterprise is often considered essential. There are a great many support organisations in Scotland, but fewer working in the Highlands and Islands. The LECs can provide support, but while community projects are likely to face the same barriers as other social economy businesses, they are even more risk averse to borrowing against community owned assets. This is an area where the recently launched HI Social Economy Zone can play a major part. HISEZ have registered potentially interested organisations and these include a number of CLU supported communities.

Ensuring that community groups have access to support that can help them to generate their own income streams is critical. CLU should ensure that projects have access to this type of support and know how to get it. This could be done by providing guidance directly, through HISEZ as it develops, LECs or others.

7.13 It is still too early to determine how well this works but there may be merit in using HISEZ to provide guidance on social enterprise opportunities in parallel with plans over potential community asset purchases. The consultations with Communities Scotland and SNH highlighted the opportunity to think more strategically about future projects and approaches. There may be opportunities to bring in potential partners earlier to discuss support and/or barriers

7.14 There was evidence from interviews with projects that the quality and timeliness of feasibility reports was not good. In part this may come down to poor management by the projects as much as the work of the consultants. Because the consultants are being paid for by the project themselves, there is pressure on the consultants to produce more positive results. CLU understands this and read between the lines to “interpret” the results. This should not be necessary. In addition, these studies could make more use of local skills and that this would also help build capacity within the communities.

The CLU should consider providing guidance on working with consultants and how they might encourage more participative approaches to evaluation and development studies and greater use of other support organisations as highlighted in paragraph 7.11.

7.15 The CLU's monitoring and evaluation is good and there are now structures in place that cover most elements. Baseline studies, monitoring data of projects and the teams' activities, the community capacity ladder model and five year evaluations all contribute to a thorough picture. Monitoring of projects takes place through structured progress reports for the SLF projects only. Where there is no SLF funding there is no structured reporting mechanism and it would make sense to develop a shorter, simpler version for these projects. Clearly monitoring takes time and consideration must be given to ensuring that the level of resource allocated to this is appropriate for the value of the investment.

7.16 A more significant gap is *within* projects where there is a more limited culture of measuring performance. The importance of measuring changes in the community should be emphasised and explained to project managers.

The CLU should emphasise the importance of measuring changes in their community. Guidance could be produced to encourage project managers to develop their own methods for measuring some of the key things that will contribute toward their objectives (and those of their funders). This would cover adopting more measurable objectives, identifying the key things they would expect to see changing and identifying a short list of simple indicators.

7.17 With more projects to support it also becomes increasingly logical to produce tools such as templates, guidance notes and case examples, as the number of projects that can use them is now more significant. Overseeing the larger number of projects necessarily requires more structured approaches. These types of projects are often the first to be squeezed out when an organisation is stretched. It is important to ensure there is sufficient resource to make this investment. This is also true for promotional materials.

7.18 There may be opportunities to use development officers more flexibly. Currently funding is for three years and this allows the officer to settle into the community, but it may also make the communities too dependent on external support over a long period at a critical time.

More flexibility in the structure of development support could allow larger projects to have long term placements, but shorter contracts or contracts across more than one project could allow the experience of development officers to be shared more effectively, perhaps between neighbouring communities.

APPENDIX A

SURVEY QUESTIONNAIRE

HIE's Community Land Unit
An independent evaluation on behalf of Highlands and Islands Enterprise conducted by SQW Ltd

We are interested in your experience of the Community Land Unit and the impacts that CLU support and assistance has made on the following community project(s):

1. ***«Project_1»***
2. ***«Project_2»***
3. ***«Project_3»***

Could you please take the time to complete and return this questionnaire in the pre-paid envelope by **Friday 10th June 2005**.

If you have any questions regarding the completion of this questionnaire, please do not hesitate to contact Laura Henderson of SQW Ltd (0131 225 4007).

A. Development of Project

Section A1: Origin of project

1. How was the project(s) idea originally conceived?	Please tick all that apply
a. Local individual	
b. Local Council	
c. Community Group	
d. National Authority (e.g. SNH)	
e. HIE's Community Land Unit (CLU)	
f. LEC adviser	
g. Other form of support (please specify)	

2. Was there a pre-existing community group who were able to take the project forward?	Yes		No	

3. How was the wider community engaged in the early stages of development?	Please tick all that apply
a. Community meeting	
b. Survey of local opinions	
c. Full community consultation	
d. Selective community consultation	
e. Little or no engagement with wider community	
f. Other form of community engagement (please specify)	

4. How many people are resident in your community?	

Section A2: Sources of Information

5. How did you first hear about the support available from CLU?	Please tick one
a. LEC Adviser	
b. Local Authority	
c. Word of mouth	
d. Other (please specify)	

6. What agencies/ organisations have been involved in supporting your project e.g. Local Enterprise Company, Council, Scottish National Heritage, Forestry Commission etc?

Section A3: Funding Sources for acquisitions

7. If your project(s) involved the acquisition of land/ property, please detail all sources of funding which you received:	
Project name:	
Funding Source *e.g. Scottish Land Fund/ SNH/ Forestry Commission/ Communities Scotland etc*	**Amount Received £'s**
If your group has more than one project involving an acquisition please continue on a separate sheet	

B. Implementation Stage

Section B1: CLU Support

8i. In developing the project, how involved was the CLU advisor?	**Tick one**
a. Very	
b. Fairly	
c. Not at all	
If you answered "Not at all", please go to Q9. If you answered "Very" or "Fairly": ii. What support was provided? iii. Which part of this support did you find most useful?	

9. What additional support would you have liked?

Section B2: Project Activities

10. Please describe project activities to date (Continue on a separate sheet if necessary)

11. What has gone well with your project so far?	**What could have been done better?**

Section B3: Community Participation

12. Typically, how many people attend project related community wide events, e.g. meetings, open days, events?

13. Overall, how many community residents have been involved in the running of the project? (Please indicate appropriate numbers)				
	Project Management	Regular involvement	Ad-hoc assistance	TOTAL
Number of People				

14. Based on your answer to Q13, how would you describe the community's ongoing involvement in influencing the project?

Section B4: Project Outputs

15. Which of the following benefits do you feel the project(s) have brought to your community? (Please tick all that are applicable)			
	Major Benefit	Minor Benefit	No difference
Engagement/ participation of community as a whole			
Community Empowerment – sense of neighbourhood and ownership			
Skills and capacity building of individuals and groups			
Education for all			
Quality of life - Access to facilities/ amenities			
Quality of life – Security of tenure			
Inclusion of hard to reach groups e.g. elderly, single parent families, disabled, low income			
Strengthening social networks			
Fundraising			
Job creation			
New businesses			
Fresh income streams either to local businesses or groups			
Landscaping and environmental improvements			
Protection of wildlife diversity			
Energy efficiency			
Protection of heritage			

16. How many people in the community use the amenity provided by the project? (If unable to provide exact numbers, please provide rough percentage estimates)
Number or Proportion (%) of people using amenity:

17. Has the project helped to create any new full or part time jobs within the community? Please state how many in each category:		
	Full time posts	**Part time posts**
'Direct'–Jobs created and funded by the community group		
'Indirect' jobs - spillover outputs from the project lead to the creation of new jobs e.g. a new community business is established and employs people, or the project sources supplies and services from an external business which allows the owners of that external business to employ more staff		

Section B5: Additionality - attribution of outputs and impacts of the project

18. What would have happened to the project if the CLU support had not been made available? Please tick all that apply.	
Project would have:	
a. Taken place in exactly the same way	
b. Taken place but on a smaller scale	
c. Taken place but would've taken longer.	
d. Taken place but of a poorer quality	
e. Would not have taken place at all	
f. Other (please specify)	

19. If you had not received CLU funding, from what other sources would you have accessed support?

20. How important have the following two types of CLU support been to your project? Please tick as appropriate				
	Critical	Important	Not very important	Of no benefit
Funding				
Advice				

C. Future Follow Up

Section C1: Future/anticipated activities

21. Do you have any future development activities/ spin-off projects planned?	Yes		No	
If "Yes", please describe:				

22. If you answered yes to Q21, how do you think CLU would be able to assist you in the future?

23. Has, or is, the group likely to achieve financial independence via securing a sustained income stream in the near future?	Yes		No	
If “Yes”, please specify:				

24. Has your project led to joint management or other partnership arrangements?	Yes		No	
If “Yes”, please specify:				

Would you be happy to be contacted by telephone at a future date to discuss your project and CLU support in more depth? * Please delete as applicable and indicate the most suitable number on which you may be contacted.

* NO, I do not wish to be contacted again in relation to this study

* YES, I am happy to help the Community Land Unit further in this study

Name of person completing this form: Miss/ Mrs/ Ms/ Mr/ Dr

First Name: …………………………………………………… Surname: ……………………………………………………

Any additional comments on the support you’ve received: