

Funders back continuation of Community Shares Scotland Programme with £800k investment

After a hugely successful initial three years, Development Trusts Association Scotland (DTA Scotland) has been given the green light to continue to operate their Community Shares Scotland programme for a further three year period, thanks to the Scottish Government and Big Lottery Fund Scotland.

Both organisations have committed to jointly investing a total of £812,101 over the next three years which will enable the Programme to continue to support community organisations looking to utilise a community share issue to fund their enterprise activities.

Having supported well-known community ventures like the community buy-out of [Portpatrick Harbour](#) and the [Glenwyvis Distillery](#) project, Community Shares Scotland has greatly increased the awareness of community shares as a mechanism for raising finance and social investment in the short time that the Programme has been operational.

During its first three years Community Shares Scotland¹:

- Provided direct support to 88 community groups and organisations
- Completed 14 separated share offers
- Helped raise over £8 million in share capital

Upon confirmation of the funding DTA Scotland Director Ian Cooke said:

“DTA Scotland is delighted that the Scottish Government and Big Lottery Fund have agreed to support the next phase of the Community Shares Scotland Programme. With a number of innovative and exciting community share issues already in the pipeline, this investment represents a strong commitment to community shares and the contribution which they can make towards empowering communities throughout Scotland.”

Jeane Freeman, Minister for Social Security, said: “I am delighted we’re supporting the Community Shares Scotland programme. Scotland has more than 5,000 social enterprises -businesses that reinvest profits into a social mission for the benefit of local communities. Community shares are an innovative, democratic way for them to raise the money they need to expand and increase their social impact.

“For more than a decade the Scottish Government has worked collaboratively to establish a world-class system of support for social enterprise and we are recognised as a world-leader in that. Just this year we published Scotland’s first-ever Social Enterprise Strategy – however, I am determined we do more. This funding will help more social enterprises have the chance to achieve their full potential. I am excited to see the great results that can secure and the communities it will benefit.”

Big Lottery Fund, Director for Scotland, Martin Cawley, said: “I am delighted that DTA Scotland has been successful in securing a National Lottery award. The funding will make a big difference where it is needed most and I wish DTA Scotland every success as it goes on to develop and expand its project for the benefit of communities across Scotland.”

As a result of the renewed funding DTA Scotland is currently recruiting two new positions to help deliver the new Programme. Details of these vacancies can be found on the Goodmoves website: <https://goodmoves.org.uk/vacancy/32141-community-shares-scotland-programme-communications-officer>

¹ Rocket Science Evaluation Report *Draft*

ENDS

For further information please contact Wendy Reid, Development Manager, DTA Scotland on 0131 220 2456 or wendy@dtascot.org.uk.

To find out more about Community Shares Scotland, please see www.communitysharesscotland.org.uk.

About DTA Scotland

Development Trusts Association Scotland (DTAS) is national member organisation for the Development Trust movement in Scotland. Active across city, town, rural and island locations, DTAS has over 200 members and exists to: support and strengthen established development trusts and; promote and represent the interests of development trusts and; encourage the growth of new development trusts.

For further information and contact details, please see www.dtascot.org.uk / @DTAScot

DTA Scotland is a Scottish Charitable Incorporated Organisation (SCIO) No. SC034231.

Notes to editors

10 Things you NEED to know about Community Shares

1. A unique form of capital available to all social enterprises: Community shares are unique to community benefit societies and co-operatives, including charitable community benefit societies. Any form of social enterprise can become a society and issue community shares including registered charities, CICs and companies limited by guarantee.
2. Capital for community purpose not private gain: A fair form of finance, with asset locks to prevent investor speculation and capital gains, democratic governance (one-member-one-vote not one-share=one-vote) and limits on member investment levels and share interest rates. Members can withdraw their shares when they need their money back, subject to terms and conditions.
3. Cheap, long-term finance: Community share capital is cheaper and more long-term than most forms of debt finance and social investment. Societies only pay interest on share capital if they can afford to do so, and even then it is usually at a rate well below the cost of other sources of social finance.
4. Serves a wide range of trading activities: Community shares works really well for enterprises serving local markets, including pubs, shops and football clubs, community farms and even youth services. It can help finance community assets such as workspaces, community centres, music venues and even piers and harbours. It is the main source of funding for many community renewable energy initiatives.
5. Community engagement and social competitive advantage: Community shares are a great tool for community engagement. It gives people real ownership over enterprises and assets central to

community life. When people have invested money, and become members and owners, they are also far more likely to become loyal customers and service users, active volunteers and supporters.

6. Powerful way of demonstrating community support: Many societies have hundreds or even thousands of local members, all of whom have demonstrated their strong support by investing and risking their money. This gives public funders confidence they are backing initiatives that have widespread public support.

7. A growing market and movement: Since 2009 nearly 700 new societies have been created with the intention of financing themselves through community shares. Over £69m has been raised in share capital, and this has levered in a further £100m in grants, loans and donations.

8. Community Shares Standard Mark: Awarded to share offers that meet national standards of good practice, reflected in the business plans, offer documents, governance and community engagement practices

9. Uses crowdfunding technologies: Share offers are easy to administer using a range of emerging crowdfunding platforms.

10. CSS and CSU provide guidance on standards, good practice, consumer protection and practitioner licencing. Website resources include a Step-by-Step self-help/diagnostic tool for social enterprises, the Community Shares Handbook, Directory of Community Share Offers and a Practitioner Directory, as well as news, market intelligence, Guide for Potential Investors, and so much more!