North Carrick Community Benefit Company Foundations for Recovery: Rural Retail Park

Study Report

Kevin Smith, CEIS Business Adviser
kevin.smith@ceis.org.uk

Claire McLaughlin, Business Adviser
claire.mclaughlin@ceis.org.uk

Moorpark Court
5 Dava Street
Govan
Glasgow, G51 2JA

Contents

Executive Summary

In its role of working for the benefit of communities in North Carrick, North Carrick Community Benefit Company (NCCBC) commissioned a range of research and development (R&D) activities into investment-ready projects, one of which sought to establish the feasibility of a Rural Retail Park in North Carrick. This work was undertaken on its behalf by CEIS.

A study plan described its aim and objectives and a range of R&D activities to achieve these, which included a short-life Study Working Group (SWG) to provide guidance and input to the project. A number of papers and reports associated with these activities have already been produced and reviewed by the SWG. These are available separately and should be read in conjunction with this final report, which provides:

- A baseline for the project in terms of goals, assessment criteria and initial enterprise concept
- key findings from study research
- a proposed enterprise model, development approach and associated business risks
- a SWOT Analysis assessment of the overall project, and associated conclusions
- supporting information in appendices

The overall conclusion of the study is that the development and operation of a Heritage Enterprise Village in North Carrick that is focused on 'market-making' for heritage enterprises and their customers is realistic and potentially achievable and sustainable. This based on:

- a mixed product/ service offering, primarily focused on enterprise services and support, with heritage – built, natural, cultural – as its theme
- a target composition for the enterprises it supports (new/ existing enterprises, micro/ small/ social enterprises, heritage products/ services) and target market focus (residents and niche tourists) for these enterprises
- A phased development approach of a flagship site in a town or edge-of-town (Maybole) location, and subsidiary sites and a network of heritage enterprises across North Carrick
- A preference for using existing vacant/ underused community assets
- A dedicated social enterprise to develop and manage it, supported by external expertise as part of an outsourcing business model

The next steps are for the study report to be reviewed by the Study Working Group, NCCBC's Board of Trustees and key stakeholders for comments and recommendations before a Board 'STOP/GO' decision is taken on continuing with project development. Assuming a positive decision, the outputs from the study and other project strands will then be used by NCCBC to inform a final enterprise model and develop a more detailed business plan to support RRP development and operation.

1 Introduction

1.1 Background

North Carrick Community Benefit Company (NCCBC) administers grant funding from renewable energy sources and other sources for the benefit of the communities of North Carrick in South Ayrshire. Under the title of 'Foundations for Recovery' NCCBC secured UK Community Renewal Fund monies to deliver investment for South Ayrshire's coastal and rural Carrick region. The project involves the research and development of a number of investment-ready projects across 3 themes, one of which relates to capacity-building at an individual, community and organisation level. One strand of the project was to establish the feasibility of a Rural Retail Park and produce an associated business plan if appropriate. CEIS undertook this strand of the project on behalf of NCCBC.

1.2 Methodology

A study plan described its aim and objectives and a range of research and development activities to achieve these. The overall approach combined inputs from a short-life Study Working Group with RRP-specific research and some of the research findings and outputs from the other project strands.

Study Aim and Objectives

To establish the feasibility of NCCBC developing a Rural Retail Park (RRP) that accommodates and promotes local rural businesses, specifically SMEs (small-to-medium sized businesses) and Social Enterprises, co-located with a nationally significant art installation.

1. Establish a vision, concept and development criteria for an RRP
2. Identify and profile exemplars of RRP or similar to establish the key characteristics of a viable RRP
3. Describe the potential market for an RRP in North Carrick in terms of need and demand of consumers and enterprises, existing/ future provision, and risk of displacement
4. Describe local and national policy/ strategy relevant to the communities of North Carrick and the development of an RRP, and how an RRP might align with these and NCCBC's wider development goals for North Carrick
5. Explore attitudes and perceptions of key stakeholders towards current market provision and the RRP concept
6. Propose a management and operating model for an RRP
7. Propose a development approach for an RRP

Specific Factors

A number of specific factors influenced the overall study approach:

- A specific location and site for the RRP was still to be established
- The study was one of a number of interlinked R&D activities within the project and between project themes. These have implications for an RRP and vice versa.
- The appropriateness of developing a business plan for the RRP is influenced by the findings from other project R&D and is dependent on the NCCBC Board taking a 'STOP/ GO' decision based on the feasibility study findings.

R&D Activities

Development Sessions

CEIS facilitated 3 x half-day, in-person development sessions with a short-life Study Working Group (SWG) of 5-6 people comprising representatives of NCCBC and key stakeholder organisations, to apply its collective knowledge and experience, informed by study research, to provide input to RRP development. A briefing note was circulated in advance of the first session and session notes and other materials provided between sessions. Organisations represented across the sessions, other than NCCBC, included Cassillis Estate, South Ayrshire Council (an executive and a local representative), and Shepherd Chartered Surveyors. Representatives from Creetown Initiative and Girvan's Community-led Tourism project were also invited but were unable to attend.

Desk-based research of published sources

- Local and national policy/ strategy relevant to the communities of North Carrick and the development of an RRP, and how an RRP might align with these and NCCBC's wider development goals for North Carrick
- The potential market for an RRP in North Carrick in terms of need and demand of consumers and enterprises, existing/ future provision, and risk of displacement.
- Exemplars of RRP or similar to establish the key characteristics of a viable RRP
- Capital and revenue funding streams that might be considered in order to support RRP development and operation.

Stakeholder Consultation

Primary, qualitative research using in-depth interview to describe and explore respondents' attitudes and perceptions relating to current market provision, the RRP concept, and the benefits and concerns of such a development. This approach sought to gather more in-depth data from a smaller sample of the research population, to gain insight and understanding of opinions and motivations in relation to the research information needs. The research was conducted with the target sample of 15 organisations, which included:

1. Ayrshire & Arran Destination Alliance
2. Ayrshire Chamber of Commerce
3. Ayrshire Growth Deal
4. Cassillis Estate
5. Maybole Town Centre Regeneration
6. National Trust for Scotland (Culzean Castle)
7. Scotland's Towns Partnership
8. Shepherd Chartered Surveyors
9. South Ayrshire Council (Economy and Regeneration)
10. South Ayrshire Council (Employability)
11. South Ayrshire Council (Planning)
12. Turnberry Hotel
13. Visit Scotland
14. Voluntary Action South Ayrshire
15. William Grant Foundation

R&D from Other Project Strands

CEIS was keen not to duplicate or significantly add to the community consultations that were being carried out through other strands of the project as we believed that a lot of relevant consumer information for an RRP could be extrapolated from the findings of the market analysis. However, we have considered relevant aspects of research findings from other project partners in the analysis of study findings and the development of a proposed enterprise model.

RRP Business Planning

This study report includes a '1-page business plan' for a suggested RRP enterprise using the Business Model Canvas tool. As the project strand progressed it became apparent that it would not be appropriate to describe a business plan in more detail until decisions were taken on specific factors identified through the study. Therefore, the resources originally allocated to this task were used to undertake the other R&D activities in more depth.

1.3 About this Study Report

A number of papers and reports associated with these activities have already been produced and circulated to the SWG to inform their discussions and decision-making. These are available separately and should be read in conjunction with this final report, in which they are referenced. As such, it is not the purpose of this report to reproduce in detail the content of these contributory documents, but to provide extracts or summaries of their various findings, conclusions and recommendations, to inform the business case for NCCBC pursuing RRP development. Therefore, the remaining sections of the report follow a structure of:

- an RRP project baseline defining the development project and describing its goals, assessment criteria for development and initial enterprise concept
- key findings from study research that informs RRP development and operation
- a proposed enterprise model and development approach for an RRP and summary of potential business risks associated with its development and operation
- a SWOT Analysis assessment for RRP development and associated conclusions
- a series of appendices providing supporting information

2. RRP Project Baseline

2.1 Overview

The overall approach to enterprise concept development and assessment involved the SWG developing a vision and associated goals for the defined project and criteria by which its feasibility and viability could be assessed throughout the study period and beyond. Findings from study research informed SWG discussions and assessment updates throughout. This section defines the project, its goals and assessment criteria, and the initial enterprise concept. A final enterprise model, developed by the SWG and CEIS is described in *Section 5*.

2.2 Project Definition

Development of an SME/ social enterprise Rural Retail Park that promotes and accommodates local rural businesses, co-located with a nationally significant art installation

2.3 Project Goals

<u>Contributing to North Carrick/ South Ayrshire tourism offer</u>

1. Increase the number of visitors to the area, their frequency of visit, and their duration of stay
    1.1. Build awareness and knowledge of North Carrick's local history and what it has to offer
    1.2. Integrate with and supplement North Carrick's current visitor offer
    1.3. Build interest in tourism, hospitality and retail as a viable career

<u>Contributing to local economic development</u>

2. Generate additional income and value for North Carrick and minimise competitive displacement
    2.1. Create jobs and develop skills to meet the needs and aspirations of people and businesses
    2.2. Develop the capacity of new and existing small businesses to service local and non-local markets
    2.3. Encourage large and small businesses relationships, particularly relating to skills development

<u>Contributing to community sustainability</u>

3. Establish the RRP as a community asset
    3.1. Engage visitors with communities and businesses across North Carrick
    3.2. Engage communities and businesses across North Carrick with the RRP

2.4 Project Assessment Criteria (Version 2)

Assessment Criteria	Description (This development will…)	Weighting	Score (0-5)*	Max Weighted Score
a. Market Attractiveness	Meet identifiable needs and demands of tourists, local community and businesses, of sufficient volume and value.	3	5	15
b. Financial Viability	Generate annual income to at least meet its direct and indirect costs, and to support ongoing investment in its assets and service developments	3	5	15
c. Development Feasibility	Be possible, capable and likely to be delivered from both a technical and a financial perspective; supports phased development/ expansion	2	5	10
d. Environmental Credentials	Be environmentally sustainable in its design, construction and operation	2	5	10
e. Strategic Fit	Contribute to or align with policy/ strategy/ funder target outcomes	2	5	10
f. Place Principle	"combine people, location and resources to create a sense of identity and purpose to address the needs and realise the full potential of the communities of North Carrick"** Specifically in its relationship with Maybole and North Carrick Villages, local people and businesses, area development plans.	2	5	10
g. Local business displacement & collaboration	Avoid the reduction in economic activity of local businesses in Maybole and North Carrick Villages that would not incur in its absence. Actively create opportunities for collaboration with these businesses.	2	5	10
h. Social Return on Investment	Deliver social and economic value for people and businesses in North Carrick, commensurate to the investment in its development and operation	2	5	10
		Maximum Weighted Score		**90**

* based on the extent to which the option meets the criteria – NOT MET (negative) 0 to 5 FULLY MET (positive)

**Source: Scottish Government

N.B. Version 2 of the Project Assessment Criteria saw a change in weighting to some of the existing criteria and the addition of a new one (Local business displacement & collaboration).

2.5 Initial Enterprise Concept

PRODUCT VISION *The purpose for creating the product; the positive change should it bring about*	Positive heritage, retail and leisure experiences of North Carrick for visitors and residents that provide economic opportunities for local people and businesses		
TARGET GROUP *The market or market segment the product address; the target customers and users* <u>Visitors</u> • Inbound tourists; overnight visitors, day visitors, transit visitors; independent travellers, organised tour groups • Residents of North Carrick; individuals, families, organised groups <u>Local Producers/ Makers</u> • Artisans, craftspeople, local artists, producers/ makers, new/ existing small businesses and social enterprises, North Carrick/ South Ayrshire heritage businesses • Onsite: keystone tenants, leaseholders, short-term hires, pop-ups • Offsite: North Carrick/ South Ayrshire self-employed and businesses <u>Community</u> • Wider community of North Carrick; people and businesses	**NEEDS** *The problems the product solves/ the needs it addresses/ the benefits it provides; why customers will want to use and pay for it* <u>Visitors</u> • Something different for North Carrick • Worthwhile stop/ visit (content, duration); selfie spots • authentic, local, ethical, non-corporate • consistent, quality experience • Fun and safe place for children and dogs • Part of a Journey; mini-day out/ half-day leisure; merits repeat visits • Convenience <u>Local Producers/ Makers</u> • Outlet for their products/services • Significant target market footfall • Flexible, affordable, accessible, specialist space • Coworking space, shared resources • Workforce opportunities • Relevant brand theme; joint marketing • Generating referrals to offsite business <u>Community</u> • Employment, training opportunities, mainstream and rural skills • Local profile and pride • Enhanced retail and leisure offer locally • Community access to activity/ event facilities • Increased money into local area • Additional benefits to town and villages	**PRODUCT** *What is the product; key features to address needs/ make it stand out/ critical to its success* a place for shopping for local food and products, dining, leisure activities and events, connecting with local history and heritage, and learning and work; all provided by or involving local producers and makers. • Facilities: monument and visitor facilities; retail/ workshop space; community space; fixed/ pop-up space; event space; playpark; dog-friendly; sheltered/ parking, active travel routes, local transport option; coach tour/ campervan facilities • Retail offering: heritage (local) food/ drink, crafts, products; quality, limited; discretionary/ giftware • Activities: historic interpretation; catering/ dining; shopping; events/concerts; fixed/ seasonal/ pop-up leisure experiences/ activities • Capacity-building: mainstream/ rural skills training; work experience and placements; support for self-employed/ start-up/ small enterprise • Green credentials: sustainable building design and construction; electric charging points; powered by renewable energy; eco-friendly features • Mixed economy: visitor/ community; day/ night time; facilitates repeat visits • A 'gateway' to the North Carrick 'offer' - transport links to town and villages; promotion and links to other area attractions, activities, and businesses A high-quality and authentic destination attraction as a focal point for visits in and around North Carrick; complementary to The Lion of Alba monument; showcase for local 'maker' talent; thematic offering and brand; instagrammable; not-for-profit ownership	**BUSINESS GOALS** *How is the product going to benefit North Carrick; the business goals for NCCBC* <u>North Carrick</u> • Improved tourism offer • Economic development • Community sustainability <u>NCCBC/ RRP Goals</u> 1. Area profile and visitor numbers 2. Community engagement with the facility 3. Associated jobs and skills development 4. Local business start-up/ capacity/ growth 5. Financial performance

2.6 Enterprise Concept Assessment 1

The SWG's scoring of the initial enterprise concept (EC1) was primarily based on their own initial attitudes and perceptions, supplemented with a summary presentation and discussion of the Market Analysis, Policy and Strategy and Exemplars from the study's market research to date.

Assessment Criteria	Weighting	Score (0-5)*	Weighted Score	Summary Rationale
a. Market Attractiveness	*3*	3	**9**	Need/ demand suspected but still to be established; seasonal demand
b. Financial Viability	*3*	3	**9**	Type and scale of offering likely to be tailored to ensure viability
c. Development Feasibility	*2*	2	**4**	Not unique enough to justify retail; needs more of a focus or theme; too big
d. Environmental Credentials	*2*	4	**8**	Environmental aspects to be incorporated in design brief.
e. Strategic Fit	*2*	4	**8**	Strong fit with a number of national, regional, local outcomes
f. Place Principle	*2*	4	**8**	Fits with historic development plans
g. Displacement & collaboration**	*2*	4	**8**	Criteria to be established for target businesses to avoid displacement
h. Social Return on Investment	*2*	2	**4**	Scale of return for the level of investment required; limited enterprise focus
TOTALS			**58 (64%)**	

*Scoring: based on the extent to which the option meets the criteria – **NOT MET** (negative) 0 to 5 **FULLY MET** (positive)

** Given the same score as *Criteria F* for Round 1 & 2 following its subsequent addition; scored independently in Round 3

3. Key Findings from Study Research

3.1 Market Analysis

a. The population profile of North Carrick (as per the electoral ward) is broadly similar to that of South Ayrshire with some exceptions in terms of population of older people and housing tenure/ type, but with some more significant differences to Scotland as a whole. Across South Ayrshire engagement with cultural and heritage activities tends to increase with household income. While both are recognised as important to Scotland and local communities there is scope for improvement in the difference it is seen to make to individuals and communities. The volume and dispersal of the local community, poorer 'performance' against a number of demographic characteristics, and the current/ foreseeable pressures on disposable income are likely to impact on needs from an RRP and its use by the local community as customers and beneficiaries.

b. South Ayrshire is an area of micro-enterprise where tourism and retail play a key role. These give opportunities for employment if skills and qualification levels can be improved. There has been long-term growth in business numbers, including a small but growing social enterprise sector, showing an appetite for business start-up. There is limited business space of appropriate size and type and the focus for both is on smaller units.

c. Even before the pandemic international and domestic overnight tourism to Ayrshire and Arran had seen a significant decrease, though less so over a 3-year average. Conversely, South Ayrshire performed better for domestic day visits over the same periods. Food and drink and informal outdoor activity featured highly in the underlying activities for these visits. The sector has obviously taken a further hit as a result of the pandemic and the same pressures on disposable income for the local community are apparent for visitors, but there are early signs of recovery:

   - Scotland is preferred destination for over half of Scottish holiday makers; there is an increase in day spend; and higher confidence in domestic tourism
   - Accessible small towns and accessible rural areas have performed better than urban areas in terms of visitor numbers in previous two years
   - Best performing visitor attractions: outdoor/ nature; crafts/ retail attractions
   - There is a move towards a different model of tourism - a marked interest and demand for staycations, slow tourism, green and responsible tourism, and family vacation offering.

   Local and regional tourism strategy is aimed at supporting this recovery and addressing pre-pandemic issues. Pre/ post pandemic tourism figures can provide a useful benchmark for what can be achieved and the ground to be made up. The domestic market segments are significant for South Ayrshire and should be a focal point for an RRP as part of a visitor attraction.

d. Retail parks, particularly those with a food/ drink offering, have performed better in recent years and proved more resilient than shopping centres/ town centres during the pandemic. While overall vacancy rates have been increasing in the 5 years to 2021 they are lowest for retail parks. Online retail sales channels have undoubtedly played a part in this and must be considered as part of any retail offering, with appropriate support provided to small businesses. But a number of other retail trends are supportive of these types of business: buy local; ethical consumerism; willingness/ need to consider second-hand goods

3.2 Exemplars

e. A number of exemplars of a 'rural retail park' or similar were considered to help inform the further development of the RRP enterprise concept. They give a perspective on alternative purposes and approaches to enterprises of this nature: visitor attraction v out-of-town outlet v town centre outlet v theme town. None of them could be described as a large-scale, up-front greenfield retail development and a number of factors will have influenced choice of approach and development:

- Planning policy/ strategy will have likely varied, particularly between countries
- Some will have built their capacity and positioning organically over a number of years
- Some benefit from being associated with a major visitor attraction or a significant town centre (city) population
- Commercial operators will be able to focus on value market segments with social impact a secondary consideration
- Social enterprise have retail as a complementary offering to a different core purpose (economic development, community regeneration etc)
- A thematic approach that enables existing as well as new makers/ producers/ suppliers/ retailers to participate

Two of the eleven exemplars highlighted are felt to be a closest fit in concept and development approach to that being considered here: Dunhill Eco Park (Republic of Ireland) and Midsteeple Quarter (Dumfries and Galloway). A case study of each is provided in *Appendix A.*

3.3 Stakeholder Consultation

f. Key findings from the stakeholder consultation can be summarised as:

- The term 'rural retail park' was not well understood and not seen to reflect the concept described within the research.

  "It doesn't read well; it's confusing to me. Retail Park means Sainsburys and Costa."

- Initial reactions to the concept were very mixed (6 positive, 5 unsure, 4 negative)
- The primary benefits were:
  - Creating a destination, another reason to visit Ayrshire
  - Encouraging people to stay longer and spend more
  - Enhance the area for local people
  - Encouraging and promoting local produce / heritage / provenance
  - Boosting local employment / positive impact on local economy
  - Favourable opportunities for start-ups / small businesses
  - Compliments investment in Maybole and North Carrick

"Something that showcases an underutilized asset, that showcases local food, craft, heritage and highlights health and wellbeing, maybe markets, events, activities…sounds brilliant."

"The local nature of the businesses supported is positive – that's missing from our world at the moment."

- The primary concern was that the development would detract from Maybole – mentioned by most respondents to some degree. Other concerns included:
  - Unlikely to get planning permission (supported by Planning on the basis of the proposal defined)
  - Will increase local traffic – realistically will only be accessed by car/public transport
  - Who is the target audience?
  - Bad timing – volatile economy
  - Very difficult to create a monument with broad appeal and sufficient draw
  - Needs more consultation and needs assessment

  "There is an opportunity to regenerate Maybole – if it was rural is that taking away from Maybole itself? If it was in Maybole that would increase footfall, a community wealth building opportunity...it would allow the town to develop. If it was rural that would be a new thing and an opportunity for the villages to come together. We need to look at the pros and cons of both."

  "The concept is still sound, but I'm not convinced the timing is right with the current economy and the emphasis on town centres. We're looking at a £7m redevelopment of Maybole so to think you are going to do something outside of Maybole which would take away from that doesn't sit comfortably."

- Just over half thought there was merit in altering the concept to be developed wholly or at least partially in Maybole – creating a proposition of much more value to local people and minimising displacement. There was not thought to be anything else like the proposal in the area just now.

  "It needs something to tie it back into the villages –

  "There is an opportunity to look at vacant property in Maybole which would be the sustainable option.

  "My inclination is if you're investing do it in the middle of Maybole to create something there. It has to have visitors and locals. Ayrshire is still very seasonal, ultimately December to March you rely on the local market."

- Those features of the enterprise concept, as described, felt to be most important were:
  - Environmentally sustainable design and operation
  - Owned and managed by a local, not-for-profit
  - Monument of national importance with relevance to local area and history
  - Heritage products – food/drink, artwork, crafts, giftware, local produce
  - Training and employability opportunities for local people
- Despite having concerns about planning and displacement, all but one respondent thought the concept could align with their goals and activities. Various suggestions were made about support or partnership working.
- On the basis of the limited information currently available, about two thirds theoretically were supportive of the project if it was supported by the Local Authority, was developed to align with other activities and local strategies, drew visitors to Maybole and was not called a rural retail park. About a third were uncertain about their support, largely because they

thought it would only have mileage if it was at least partially based in Maybole itself. The importance of further market testing, modelling and feasibility work was highlighted.

"The project is perfect, genuinely, it probably would stack up if the product was fine-tuned, the only issue is the location. If they get over that issue and think more about a disaggregated approach. Let it grow embryonically without huge risk, that's definitely something we would support moving forward."

"If it started in Maybole on a small basis – test the market by having a weekend street market and get surveys done at the time – 30-40 stalls and see if people listen.

3.4 Policy/ Strategy Alignment

g. There are clear links between aspects of the proposed enterprise concept and a range of national, regional and local public sector policies and strategies. A summary of apparent areas of alignment is provided in *Appendix B*. Key aspects include:

- Community development: community ownership/ governance; asset development and access; building community wealth; community-led tourism
- Economic development/ employability: job creation, skills development, sector labour market; business start-up and growth; business premises and support
- Tourism: growing visitor numbers/ spend; culture/ heritage focus; green/ responsible tourism
- Retail: food and drink a key element; local producers/ suppliers; increased expenditure
- Environment/travel: rest stops/toilets; improved greenspace; reduced congestion; active travel
- Planning: low/ zero-carbon design; energy efficiency; renewable energy generation

h. At a local level there was a clear desire for this type of development (a large tourist-oriented megastore in a rural location) but this was expressed in community plans over 8 years ago and national/ local planning policy has now superceded this. There is a significant issue with the broadly stated form (out-of-town), function (retail) and scale (park) of the enterprise concept being contrary to these policies and the strategy of 'town centre first' for retail, leisure, commercial and office development. Also, the environmental impact of travel to an out-of-town location when there is a focus on reducing car journeys. But there is some leeway in both given the semi-rural nature of the area and allowances for ancillary provision.

i. Given the range of relevant policy/ strategy goals it can be difficult for a single project to prioritise all of their outcomes (e.g. financially sustainable employment v affordable goods/ services; growth in visitor numbers v reduced car travel; environmentally efficient design v use of existing assets). While some mitigating features towards secondary goals can be incorporated into a project, it requires the community and other stakeholders to decide on its primary purpose and acceptable compromises in other areas. Nonetheless, the clearest restriction on the enterprise concept appears to be planning policy/ strategy/ legislation and this must be accommodated in any final development proposal.

3.5 Community Perspective

As part of the wider Foundations for Recovery project a separate community consultation was carried out by Community Enterprise in parallel to the RRP feasibility study. An element of this consultation asked respondents to identify which of 6 learning and jobs projects, including a rural retail park, they supported. It should be noted that no description or prompts were provided on the definition or concept of an RRP and that perceptions of this are likely to vary and influence their response. A total of 61 people participated and of those who answered the question, "Which of the following learning and jobs projects do you support: rural retail park":

- 59% of respondents identified an RRP as a priority, although 12% of these specified a low priority
- 22% of respondents felt they would benefit directly
- 19% don't support this project
- 12% didn't have a view

By comparison 'Getting more local people involved in their communities' and 'Getting young people involved' were identified by 93% and 95% of respondents respectively as a priority; 72% identified 'Rural skills development'; 56% 'A digital training portal'; and 50% 'A Third Sector Training Academy'.

When asked about a number of potential heritage and cultural projects:

- The majority of respondents felt that better cycling and walking (78%), enhanced coastal tourism like better walking routes (73%), and improving Maybole Castle (67%) were a priority
- Respondents views on more e-charging points was split with 48% believing it to be a priority

When asked its views on the development of various buildings and assets within North Carrick:

- An overwhelming majority of respondents felt that better public toilets (90%) and improved community buildings for everyone (81%) are a priority.
- Majority of respondents felt community sport (73%) and Maidens Harbour (66%) are a priority

Supporting comments reflect the perceived between the RRP concept title and its description, also seen in this study, and issues such as business displacement and the need for an attractive community offer rather than just being about community ownership/ management. More widely, heritage and cultural projects and the development of existing community assets figure prominently in respondent priorities. Overall, initial reaction from the community to even the most basic project title of rural retail park is cautiously positive. There is good reason to believe that a final proposal as discussed to date, which demonstrates a wider and more impactful concept, will be well received.

3.6 Enterprise Concept Assessment 2

The SWG's scoring of the initial enterprise concept (EC2) following circulation, review and discussion of study research was:

Assessment Criteria	Weighting	Score (0-5)*	Weighted Score	Summary Rationale
a. Market Attractiveness	*3*	5	**15**	Research indicates potential tourist and resident offering; gap in the area
b. Financial Viability	*3*	3	**9**	Type and scale of offering likely to be tailored to ensure viability
c. Development Feasibility	*2*	2	**4**	Not unique enough to justify retail; needs more of a focus or theme; too big
d. Environmental Credentials	*2*	2	**4**	Implications of an out-of-town location only accessible by car
e. Strategic Fit	*2*	3	**6**	Out-of-town doesn't fit with a planning policy of 'town centre first'
f. Place Principle	*2*	2	**4**	Lacks connectivity; limited extended benefits for Maybole/ NC villages
g. Displacement & collaboration**	*2*	2	**4**	Not enough to 'not compete'; needs to promote collaboration
h. Social Return on Investment	*2*	3	**6**	Phased approach to development to invest and build outcomes gradually
TOTALS			**52 (58%)**	

*Scoring: based on the extent to which the option meets the criteria – **NOT MET** (negative) 0 to 5 **FULLY MET** (positive)

** Given the same score as *Criteria F* for Round 1 & 2 following its subsequent addition; scored independently in Round 3

4. Proposed Enterprise Model

4.1 Implications for RRP enterprise concept

Study findings and discussion have a number of implications for the RRP enterprise concept:

a. RRP does not fairly convey the vision, purpose and proposals for the enterprise concept and is no longer an appropriate label and may harm its further development in terms of the perceptions it creates amongst stakeholders.

b. Clarity is required as to the primary purpose of the proposed development: is the retail park the primary destination and the visitor attraction ancillary to this, or vice versa? If the former, then confidence is needed in the volume and value of demand and the quality of offer to satisfy this. If the latter, then the offer must align with visitor numbers, profile and seasonality.

c. Consideration is required as to variations on the form/ function of the enterprise concept beyond the original notion of out of town retail co-located with a visitor attraction:

   Colocation

   1. Proportionate (equal/ minority) retail offering as part of a visitor attraction
   2. Combined working/ making/ selling space as opposed to retail space

   Split location

   3. Thematic offer across North Carrick: out of town, Maybole, North Carrick Villages
   4. Edge-of-town (Maybole) brownfield site
   5. Acquisition and redevelopment of vacant units in Maybole and North Carrick Villages

d. A balanced combination of business space, where selling is an ancillary activity, visitor services and community facilities in an out/edge-of-town location, and which also has formal mechanisms to link it with businesses across North Carrick, might make for a financially viable enterprise that delivers social outcomes while complying with planning restrictions (similar to Dunhill Ecopark or MACC Developments Ltd at Machrihanish Airbase). In order to avoid displacement of existing community facilities there would need to be clear differentiation in offer (e.g. outdoor facilities). Town centre regeneration on a similar scale, through the acquisition/ development of vacant units by a community enterprise for use by local businesses, might lose the value of association with a visitor attraction but would make a more significant contribution to planning policy/ strategy (similar to Midsteeple Quarter). A mix of product/ service offerings will benefit from a theme when targeting visitors but a year-round offer is required to be of interest to a local target market.

e. Adopting a phased approach to development, starting in a small way but on a site that has room for expansion, might allow time to: gain buy-in from and credibility with community/ stakeholders; test market volume and value, and adapt accordingly; provide flexible/ transitional/ pop-up space for start-up and growing businesses; gradually build management/ operating resources; make funding/ finance feasible and affordable. A big plan can still be implemented from small steps.

f. The findings from the study research should be considered in determining the final enterprise concept offering and its features and benefits. Also in deciding the appropriate organisation structure for managing and operating the enterprise.

4.2 Enterprise Concept: North Carrick Heritage Enterprise Village

The proposed enterprise concept is outlined on the next page and takes into account the implications of the study research findings and the SWG's perspective on how it might be adapted to strengthen its fit with the project assessment criteria. The concept has been consolidated and supplemented by CEIS. Key changes from the original concept include:

a. Change of enterprise title from Rural Retail Park to Heritage Enterprise Village to more accurately reflect the enters[rise concept in terms of theme, focus and scale

b. Purpose: stimulate and support heritage enterprise, facilitate job creation and skills development, improve North Carrick's offering for residents and tourists, build on and further develop its existing physical and intellectual asset base

c. Increased focus on local business and ethical/ green consumers

d. Strengthen the connectivity between the enterprise and area businesses and North Carrick's towns/ villages

e. A more balanced approach to market-making with greater emphasis on supply-side development in providing space, services and support to new and existing heritage enterprises

f. A more balanced approach to visitor services/ facilities to support a year-round product/ service offering; reduced emphasis on retail, visitor attraction and leisure activities

g. Network enterprises focused on heritage and unique product/ service offerings

h. Change of focus from open-market business space for retail to themed and targeted enterprise space for producing/ making/ selling, with selling an ancillary activity

i. Expansion of the enterprise concept to include a network of heritage enterprises and outlets across North Carrick, working independently and collaboratively

j. HEV outlets targeted at vacant/ underused assets and brownfield sites in and around Maybole and North Carrick villages to support town centre regeneration and 20-minute neighbourhoods

k. A flagship site that is not necessarily co-located with a monument of national significance although part of a North Carrick heritage network of enterprises, artworks and other attractions.

l. Adoption of an outsourcing business model to make best use of existing expertise and provision and to maintain a low cost base for an overarching development/ management company

m. Adoption of a phased development approach to demonstrate proof of concept and manage investment and returns

n. Targeting a more diverse income mix

Proposed Enterprise Concept

PRODUCT VISION *The purpose for creating the product; the positive change should it bring about*		Supporting and showcasing local producers and makers to visitors from and to North Carrick	
TARGET GROUP *The market or market segment the product address; the target customers and users*	**NEEDS** *The problems the product solves/ the needs it addresses/ the benefits it provides; why customers will want to use and pay for it*	**PRODUCT** *What is the product; key features to address needs/ make it stand out/ critical to its success*	**BUSINESS GOALS** *How is the product going to benefit North Carrick; the business goals for HEV*
1. Local Producers/ Makers Producers/ makers, artisans, craftspeople, artists; new/ existing small businesses and social enterprises, entrepreneurs; North Carrick/ South Ayrshire heritage businesses 2. Visitors • Residents of North Carrick: individuals, families, organised groups • Tourists: inbound tourists, overnight, in transit, day visitors; independent travellers, organised tour groups • Particularly ethical/ green consumers in both segments 3. Community Wider community of North Carrick; people and businesses	1. Local Producers/ Makers • Outlet for heritage products/services • Significant target market footfall • Flexible, affordable, specialist space • Coworking space, shared resources • Workforce recruitment and development • Expert help to start/ grow a business • Relevant brand theme; joint marketing • Generating referrals to offsite business • Complementary not competition 2. Visitors • Something different for North Carrick • Destination/ service stop for Maybole; short-to-medium length visit (1-3 hours) • Travel convenience • Authentic, quality, local, ethical, 'no-logo' • Purposeful purchases (occasions, special interest, treat, memory, unique) • Purchase experience (i.e. incorporating an activity or event, participation) • Changing visitor offer; consistent product/ service offer • Ethical consumption 3. Community • Employment and training opportunities • Increased footfall • Local profile and pride • Rejuvenating assets, towns, villages • Community wealth	North Carrick Heritage Enterprise Village A 'hub and spoke' network of new and existing heritage enterprises, artworks and other attractions across North Carrick that provides positive heritage, leisure and buy-local experiences for residents and tourists. Heritage theme and network brand: heritage – built, natural, cultural; enterprise criteria/ recruitment – heritage, micro-enterprise/ social enterprise; product/ service mix; network marketing programme Heritage products/ services: mixed offering for residents and tourists; food/ drink, crafts, homeware, giftware, ethical, reuse, leisure experiences Network: flagship site in edge-of-town (Maybole) location; brownfield sites/ vacant buildings across North Carrick, in/ around NC villages; accessible to 1-mile of main travel and transport routes; network website for promotion and e-commerce (e.g. area of NC.com, Made in Stirling, www.madeinstirlingstore.com) Individual/ communal enterprise space: to produce/ make/ sell; range of type and size (coworking, studio, small unit); flexible occupancy for a qualifying period Enterprise support: serviced space; targeted programme of start-up/ growth support; workforce recruitment/ development; network marketing programme; visitor engagement Visitor centre/ facilities: reception/ site management office; network showcase for promotion/ purchase (e.g. InCube, www.incube.ren/shop/); heritage education/ interpretation; communal network space; visitor café kiosk; network signposting/ referral; toilets; car parking, EV charging, cycling facilities Outdoor event space: for network-related/ heritage events and activities Visitor programme: seasonal, targeted; network and enterprise-specific events and activities (e.g. markets, classes/ workshops, festivals, hosted visits/ tours/ talks, showcase events Place-based: preference for repurposing existing space/ community assets – vacant/ underused; partnering/ outsourcing to local agencies/ providers (e.g. enterprise support, employability, visitor café); complementarity with NC business and community facility profile Green design: premises materials, construction, operation; support for network enterprises Community-owned enterprise: acquire, develop, manage facilities; network coordination and promotion; design and coordinate a programme of enterprise support for network enterprises; design and deliver network activities and events; catalyst for further asset investment.	HEV Goals 1. Enterprise start-up, growth, capacity 2. Complementarity 3. Visitor numbers and profile 4. Network brand integrity 5. Network of 70-100 enterprises 6. Financial performance North Carrick 7. Job creation and skills development 8. Use of existing assets/ resources 9. Community ownership/ participation 10. Additionality for Maybole, North Carrick Villages and non-heritage businesses 11. Area profile and positioning

4.3 Enterprise Concept Assessment 3

Consolidated scoring of the proposed enterprise concept (EC3) by the SWG and facilitators s is based on adaptations that better align it with the project assessment criteria. A comparison of all 3 rounds of assessment is provided in *Appendix C*.

Assessment Criteria	Weighting	Score (0-5)*	Weighted Score	Summary Rationale
a. Market Attractiveness	*3*	5	**15**	Niche market x 2; year-round resident/ tourist offering; market-making organisation
b. Financial Viability	*3*	4	**12**	Mixed income model – generated, revenue funding, sponsorship; low operating cost base from an outsourcing business model
c. Development Feasibility	*2*	4	**8**	Themed; phased development approach; interim and developed stages; existing and redeveloped assets
d. Environmental Credentials	*2*	4	**8**	Town/ edge-of town location; existing assets; incorporated into design and operation; promoted to network enterprises
e. Strategic Fit	*2*	4	**8**	Compliance with/ contribution to policy/ strategy; contribution to NCCBC goals
f. Place Principle	*2*	4	**8**	NC network of assets and providers; initial focus on a flagship site
g. Displacement & collaboration**	*2*	4	**8**	Complementarity not competition; targeting existing and new enterprises; outsourcing business model; actively engaging as part of offer
h. Social Return on Investment	*2*	3	**6**	Phased approach, proportionate investment to return; targeting social/ economic/ environmental outcomes
TOTALS			**73 (81%)**	

*Scoring: based on the extent to which the option meets the criteria – **NOT MET** (negative) 0 to 5 **FULLY MET** (positive)

** Given the same score as *Criteria F* for Round 1 & 2 following its subsequent addition; scored independently in Round 3

4.4 Single-page Business Plan

An outline business model to support this enterprise concept is outlined below using the *Business Model Canvas* format. An overview of the tool and an A3 version of the HEV enterprise model is provided in *Appendix D.*

Key Partnerships

How these activities/ resources are fulfilled/ provided

Inhouse
[Activity a-i]

Key Suppliers

1. Event management company: (tbc) **[e]**
2. Property management company (tbc) **[i]**
3. Asset/ property owners: (tbc)
4. Heritage interpretation consultant: (tbc)
5. Network enterprises
6. ICT supply/ maintenance: (tbc)
7. Marcom design and production: (tbc)

Key Partners

8. Marcom campaigns: (e.g. Business Gateway, Ayrshire CoC, VisitScotland, Ayrshire Tourism Alliance, Scotland Loves Local) **[b]**
9. Café operator: (tbc) **[j]**
10. Enterprise support agencies: (e.g. Business Gateway) **[k]**
11. Employability providers: (tbc) **[l]**
12. Skills/ Qualifications framework (sector skills councils, SQA)
13. Core revenue funding: (e.g. SG, SAC, trusts/ foundations)

Key Activities

The key functions/ activities that underpin the enterprise

a. Network enterprise planning, engagement, recruitment, liaison
b. HEV/ network marketing; community engagement
c. Enterprise business services
d. Visitor services (information, heritage interpretation, showcase)
e. Activity/ event, planning/ management
f. Funding/ service agreements/ sponsorship (relationships, bids, management, reporting)
g. HEV workforce supervision and support
h. HEV management and administration
i. Property management (developments, tenancies, hires, services, repairs/ maintenance)
j. Café operation
k. Enterprise start-up/ growth services
l. Employability services

Key Resources

The key resources required to deliver these activities

- HEV workforce (core/ sessional staff, volunteers)
- HEV flagship site (enterprise space, visitor centre, event space, facilities) **[Partner/ Supplier 3]**
- Other HEV outlets across NC **[3]**
- Heritage interpretation resources **[4]**
- Stock (enterprise products) **[5]**
- Multi-enterprise ICT infrastructure
- Website/ online sales platform **[6]**
- Marcom materials and channels **[7]**
- Enterprise support programme **[10]**
- Beneficiary referrals **[11]**
- Skills and qualification frameworks; training programmes **[12]**
- Core revenue funding **[13]**

Value Propositions

The enterprise offer to each Customer Segment to meet its needs

North Carrick Heritage Enterprise Village: a 'hub and spoke' network of new and existing heritage enterprises, artworks and other attractions across North Carrick that provides positive heritage, leisure and buy-local experiences for residents and tourists.

Key product/ service categories and their associated value/ benefits are summarised below. See *Enterprise Concept* for full description of product/ service features.

- Heritage Enterprise Services **[Segment 1,3,4]**

HE/ small business focus, access to target market, affordable business space/ facilities/ business services, flexible occupancy, NC-wide network, economies of scale – overheads, marketing, access to expert help, collaborative learning, access to work-ready labour pool; meaningful skills training, qualifications, work experience; enterprise/ workforce growth.

- Heritage Enterprise Village **[Segment 2, 3,4]**

Convenience of flagship site; focus on heritage products/ services, quality products, value-for-money, heritage learning/ participation experiences, activities/ events programme meriting repeat visits, visit duration options, access to visitor facilities, signposting to other NC HEV 'spokes', ongoing access via online shopping; increased footfall to NC, preference for working with existing assets/ provision, complementarity not competition, buy-local/ green/ social enterprise credentials, positive brand association

Customer Relationships

How the enterprise interact with its customers at points of contact

- 1-2-1: heritage enterprises for business space, network services and enterprise support; impact organisations for funding/ contracts/ sponsorship
- 1-2-many: visitor facilities, services, activities/ events, community engagement
- Remote: ecommerce, social media
- Via 3rd-parties: enterprise support, employability, café, activities/ events, product/ service experiences

Channels

'Entities' used for customer communication and service delivery

Promotion: B2C/ B2B; HEV network outlets; branding; online/ digital marketing; content marketing; advertising; PR; printed materials; proposals/ funding applications; network events (B2B/ B2C/ C2C); joint enterprise/ partner initiatives

Purchase: network member contracts/ agreements; HEV showcase; HEV ecommerce (enterprise products/ services, HEV ticketing)

Service delivery/ participation: direct (HEV flagship); indirect via HEV network members; phone/ email/ website messaging; 3rd-party for enterprise support, employability, café

Customer service: direct (HEV flagship); indirect via HEV network members; phone/ email/ website messaging

Customer Segments

The enterprise's customers/ consumers

Sectors
Primary: enterprise, community devpt., tourism
Secondary: community asset devpt., employability

Target Geography
North Carrick/ South Ayrshire: enterprises
North Carrick: residents of/ tourists to

Segments

1. Local Producers/ Makers*

Producers/ makers, artisans, craftspeople, artists; new/ existing small businesses and social enterprises, entrepreneurs; North Carrick/ South Ayrshire heritage businesses

Key Needs: routes to market, business space, economies of scale, start-up/ growth support

2. Visitors*

- Residents of North Carrick: individuals, families, organised groups
- Tourists: inbound tourists, overnight, in transit, day visitors; independent travellers, organised tour groups
- Particularly ethical/ green consumers in both segments

Key Needs: destination activities, purposeful purchases, purchase experiences, ethical consumption

3. Community

Wider community of North Carrick; people and businesses

Key Needs: employment & training, increased footfall, community assets

4. Impact Organisations

Public sector funders/ service commissioners; charitable trusts and foundations; private sector sponsors

Key Needs: social/ economic/ environmental/ beneficiary outcomes; CSR, positive brand positioning

*most important customer segments

Cost Structure

The key cost of these activities and resources in relation to the enterprise's revenue streams

Main costs: premises (operating costs, repair/ maintenance), direct workforce, outsourced services, marketing
Most expensive Key Resources: HEV workforce, HEV premises
Most expensive Key Activities: outsourced services, visitor services, enterprise business services
The majority of operating costs are fixed costs requiring a minimum scale of operation in order to be met. There is choice in which standalone projects/ services are undertaken but a minimum value of funding or volume of activity is required in order to do so.

Capital development projects are costed separately from the HEV operating model and will proceed subject to business case and confirmation of funding and finance.

Revenue Streams

How the enterprise generate income from the Value Propositions

Generated income **[1,2]**: rent/ service charge; showcase/ ecommerce product/ service sales commission; activities/ events licencing or sales

Grant funding **[4]**: project funding – enterprise, employability, tourism, community development; contribution to network services

Sponsorship **[4]**: corporate; in-kind services

Currently Pay for?: unsuitable premises; travel for specialist shopping/ activities; social/ economic/ environmental outcomes; brand association

Willing to pay for?: appropriate space, network membership; heritage products/ services locally, heritage/ purchase experiences; more/ better outcomes; brand association.

Pricing Strategy

HE space/ services: subsidised market-rate for a qualifying period; market-rate

HEV products/services: commission on standard retail price

HEV activities/ events: FOC, subsidised market-rate, market-rate

HE/ HEV funded projects: cost plus overhead contribution

Sponsorship: value-based pricing

4.5 Development Approach

Key aspects of a potential approach to the development of the enterprise model are:

R&D Activities

1. Further testing of the enterprise concept and business model with target customer segments and key stakeholders
2. Securing multi-year grant funding to support the next stages of R&D: focus on asset development and an interim activity plan (market testing) with enterprise and visitor offer on a reduced scale as proof of concept
3. Establish a project steering group with expertise and experience in asset development, enterprise support and visitor services.
4. Study visits to exemplars reflecting key aspects of HEV enterprise concept
5. Development of a Masterplan for HEV development and operation as a network of heritage enterprises, assets, artworks and other attractions across North Carrick with clear phases of development and up-scaling over an extended period of time
6. Undertake a social value forecast for the potential social, economic and environmental impacts of the proposed enterprise model
7. Identification/ assessment of potential location for HEV flagship site and other potential outlets across North Carrick
8. Design and cost to RIBA Stage 2 development of HEV flagship site and 'test' assets in other North Carrick locations
9. Delivery and evaluation of proof of concept offering
10. Engage with capital and revenue funders interested in the HEV Masterplan and securing funding for its first phase of development and operations

Implementation

11. Establish an HEV development and management company as a wholly-owned subsidiary of NCCBC with the potential for an independent social enterprise 'spin-out' at some point in the future
12. Recruit a board for the subsidiary specific to the expertise and experience required of an enterprise focused on asset development, enterprise support and visitor services.
13. Capital development of an HEV flagship site in an edge-of-town location near Maybole
14. Engagement of outsourcing partners and suppliers; workforce recruitment
15. Lease/ acquisition and development of vacant/ underused building sin and around Maybole and North Carrick villages

4.6 Potential Sources of Funding and Finance

Funding Scotland is a website owned and maintained by the Scottish Council for Voluntary Organisations the umbrella body for Scotland's third sector. It lists funders and lenders with a track record of supporting projects in Scotland; it includes grants, loans, prizes and other support. Using this and other sources, 59 funding and loan finance programmes potentially relevant to HEV development and operation have been identified against the following criteria:

Types of funding	All
Geography:	South Ayrshire; Scotland; UK
Type of funding	Capital; Revenue
Beneficiaries	• All ages • Geographic Groups: rural communities
Activities	• Arts & culture; Heritage & building preservation; Recreation & social activities • Community development & regeneration; community facilities; organisational development and capacity-building • Education & training • Employability services • Environment
Fund Value	£10k or more

A summary of potential key sources of funding and finance is provided below ordered in terms of:

Mixed Funding	Capital Funds	Revenue Funds	Loan Funds

Further details on these and other sources of funding and finance is provided in *Appendix E.*

Funder	**Fund**	**Focus**	**Award Value**
UK Government	UK Shared Prosperity Fund	Supporting levelling Up agenda through 3 investment priorities: communities and place; supporting local business; people and skills	Total allocation for South Ayrshire for 3 years: c£5m
The National Lottery Community Fund (Scotland)	Scottish Land Fund	Helping communities take ownership of the land and buildings that matter to them, as well as practical support to develop their aspirations into viable projects.	£10,000 - £1m
Swire Charitable Trust	Grant Fund	3 funding programmes including heritage in the form of regeneration through restoration	Smaller grants <£25k; large grants of £25k+
Dulverton Trust	Grant Fund	Tackling social issues, environmental protections and preserving heritage crafts	£25,000-£35,000 but can apply for more
NFU Mutual Charitable Trust	Grant Fund	Focus includes rural development particularly education of young people in all areas and projects of significant impact on rural communities.	£1,000 - £50,000
Scottish Government	Regeneration Capital Grant Fund	Awarded to local authority supported place-based regeneration projects that involve local communities, helping to tackle inequalities and deliver inclusive growth in deprived, disadvantaged and fragile remote communities across Scotland.	None specified Recent project awards £130k to £2.6m

Funder	Fund	Focus	Award Value
UK Government	Community Ownership Fund	Open to 2024/25 to help communities take ownership of assets and amenities at risk of closure.	Up to £1m of 50% match funding
Quaker Housing Trust	Grant Fund	Grants and interest-free loans towards development activities, asset acquisition and improvement	Maximum award Size £50,000
The National Lottery Heritage Fund	Grants for Heritage	Projects connecting people and communities to national, regional and local heritage: participation, economy, place and skills are amongst its priorities.	£3,000 - £5,000,000
The Prince's Countryside Fund	Supporting Rural	Projects creating resilient rural communities, innovative solutions and improving resilience.	Maximum award Size £25,000
Big Issue Invest	Loan Fund	Social investment and loan finance to social enterprises that have business-like responses to social problems.	£20k-£3m
Social Investment Scotland	Investment (Loan Fund)	Supporting asset acquisition particularly in relation to community development/ regeneration and facilities	£10,000 - £1,700,000
NESTA	Arts & Culture Impact Fund	£20m impact investment fund targeting arts, culture and heritage social enterprises	£150,000 - £1,000,000
The Architectural Heritage Fund	Heritage Impact Fund	Tailored loans for the acquisition, reuse or redevelopment of historic or architecturally important buildings.	£25,000 - £500,000
Community Shares ICOF Limited	Loan Fund	Short-term underwriting of community share issues to help kick-start projects	Maximum award Size £75,000

4.7 Business Risk Analysis

Key risks to HEV development and operation identified at this stage and their potential impact are summarised below along with potential mitigating actions.

Risk	Potential Consequences	Mitigating Actions
1. Lack of support for enterprise concept and model	Development funding not secured; project does not proceed; adapted project infeasible/ non-viable.	Study research; repeated rounds of stakeholder consultation
2. Non-compliance with planning policy	Project does not proceed; adapted project infeasible/ non-viable.	Change of enterprise focus; further consultation with SAC Planning; expert advice from an architect
3. Lack of expertise/ experience in HEV development/ operation	Poor implementation; poor value for money; reduced impact; reputational damage.	Targeted recruitment; subsidiary development and management company; outsourcing business model.
4. Failure to secure development/ funding finance	Project delayed/ does not proceed; adapted project infeasible/ non-viable.	Masterplan; phased development approach; early funder engagement; funding strategy
5. Availability of affordable land/ assets in target locations	Project delayed or does not proceed; poor value for money	Mix of interim and developed assets/ activity; long-term development approach
6. Market volume/ value below expectations	Reduced income; reduced impact; financial viability.	Market research; mixed income model; market testing of interim offer; phased development
7. Poor quality 3rd-party provision	Loss of customers, income; reduced impact; reputational damage	Working with established agencies and providers; network criteria; recruiting/ supporting network enterprises
8. Limited enterprise/ labour pool in North Carrick	Reduced network size; reduced capacity for network enterprises; reduced impact	Investment in other FfR strands; start-up/ growth support part of HEV offer; outsourcing to expert partners
9. Displacement of existing businesses	Negative social/ economic impact; reputational damage	Targeted at heritage enterprises; network includes existing businesses; outsourcing business model
10. Providing poor SROI	Poor value for money; further development stages delayed/ do not proceed; reputational damage.	Study research; stakeholder consultation; market testing; phased development; social value forecasting.

5. Project Assessment

5.1 Summary Analysis

Our overall assessment of the project is summarised below as a SWOT Analysis of strengths and weaknesses of the proposed development and NCCBC's capacity to implement it, and opportunities and threats in its operating environment that might help or hinder its development and operation.

Strengths	**Opportunities**
<u>Enterprise Offer</u> 1. Targeted business space to produce/ make/ sell 2. Start-up/ growth support and employability for heritage enterprises 3. Economies of scale on marketing and operating costs 4. Physical and online channels to market <u>Visitor Offer</u> 5. Heritage focus/ USP 6. Network of heritage enterprises, artworks and other attractions across North Carrick 7. Seasonal and year-round offering for tourists and residents 8. Flagship site facilities/ activities/ events to relate to heritage and network enterprises 9. High-quality visitor experience <u>Development Approach</u> 10. Network development and management company operating as a social enterprise; market-making role (demand/ supply side catalyst); subsidiary of NCCBC (reputation, infrastructure, relationships) 11. HEV comprises physical locations (flagship site, others across NC locations) and online channel 12. Phased development for flagship site and across NC supports feasibility and viability 13. Environmental consideration to design, construction, operation 14. Service outsourcing to expert partners/ providers; low inhouse cost base for the HEV management company <u>Place-based</u> 15. Preference for edge-of-town Maybole) location for HEV flagship site 16. Preference for existing community assets (brownfield sites, vacant/ underused buildings) 17. Use of outsourcing/ collaborative working in service model 18. Targeted enterprise profile: micro, SME, social enterprise 19. Promoting collaborative working amongst new and existing heritage enterprises; new enterprise targeting against 'recruitment' criteria	<u>Market Factors (demand-side)</u> 1. South Ayrshire is a region of micro-enterprise, retail/ hospitality/ tourism enterprises 2. Long term growth in business base; small but growing social enterprise sector in SA and relevant sub-sectors nationally 3. Limited business pace of appropriate size and type and focus f both is on smaller units 4. NC population profile: high proportion of home ownership, people engaging with cultural events and perceived value of culture and heritage, self-employed people 5. NC community support for heritage and cultural projects and the development of existing community assets 6. Wider consumer trends: ethical purchase/ consumption, upcycling/ second-hand, buy-local, purchase experiences, multichannel purchasing 7. Domestic tourism to accessible small towns and rural destinations popular in Scotland; growth in day-visitors and spend in SA; Scottish crafts/ retail and outdoor/ nature attractions perform well <u>Market Factors (supply-side)</u> 8. Market opportunity for a heritage enterprise cohort 9. Range of exemplars delivering aspects of the enterprise concept 10. North Carrick a fragile rural economy 11. Need for skills/ qualification 12. Population profile: centred around main population centres; high proportion of people in employment/ economically active 13. Retail recovery post-pandemic; increases in retail occupancy around food, home and garden <u>Policy/ Strategy Landscape</u> 14. Priorities: tourism, community asset development, rural economy, employability, levelling up, economic development, community wealth building, 20-minute neighborhoods, buy-local; town centre development/ regeneration 15. Current/ planned development investment in Maybole

20. Broad support from stakeholders and community for enterprise concept Strategic Fit 21. Alignment with a wide range of policies/ strategies 22. Engagement/ support of South Ayrshire Council 23. Retail aspects an ancillary activity in a rural area 24. Community capacity building aligns with NCCBC renewable energy funds	16. UK/ SG funding for investment in communities 17. Established process for community asset transfer North Carrick/ South Ayrshire Assets 18. Wealth of North Carrick heritage (built, natural, cultural) 19. Range of existing community assets across NC 20. Transport routes: Maybole bypass, ferry ports 21. Existing enterprise and employability support infrastructure
Weaknesses	**Threats**
Enterprise Offer 1. Dependency on achieving a critical mass of new/ existing producers/ makers 2. Potential for market distortion through provision of enterprise support 3. Ensuring additionality to current support and provision 4. Scale of job in creating/ maintaining an NC-wide offering; requires balancing the needs and expectations of network members 5. Requires rural locations to be accessible 6. Requires to be balanced to meet the needs of residents and tourists Development/ Operating Capacity 7. Host enterprise still to be identified 8. New role/ function for NCCBC (if host) 9. NCCBC capacity to support development/ operation (if host) 10. Dependency on outsource partners and suppliers Development Approach 11. Out-of-town site likely to contravene planning regulations; unable to collocate with monument 12. Dependent on availability of suitable Maybole site 13. Availability of other appropriate locations across NC 14. Limitations of concept testing (as opposed to concept testing) 15. Feasibility of conducting market testing 16. Long-term, phased development approach Funding and Finance 17. Level of development funding that's likely to be required 18. Likely ongoing requirement for % of revenue grant funding 19. Lack of costed development design 20. Budget required for a monument of national significance	Market Factors (demand-side) 1. Size of pool for prospective/ emerging heritage enterprises; Volume of local producer/ makers 2. Low population density 3. Cost of living crisis and impact on disposable income 4. Rural accessibility for local people 5. Volume/ value of SA tourism pre/post pandemic 6. 'Tourists' to the area is a broad church 7. Seasonality of Ayrshire tourism Market Factors (supply-side) 8. High operating costs for new/ existing enterprises: energy, fuel, labour, materials 9. Limitations of rural labour market 10. Poor retail sector performance: bricks and mortar, Hight Street operators 11. Restrictions of town centre/ high street shopping experiences 12. Growth in online sales 13. Market failure for land/ property for business use (cost of development v income potential) 14. Availability of suitable community assets (units or sites) 15. Availability of investment funds; small number of high value grant funders 16. Competition: existing family-focused tourist attraction Strategic Fit 17. Stakeholder/ community/ business misperceptions: retail, scale, out-of-town, displacement v competition, duplication 18. Restrictions of planning policy/ strategy

5.2 Conclusions

Baseline Concept

a. While 'rural retail park' was a completely reasonable description for conveying the notion of the proposed project at the start of the study it was never envisaged as the next Heathfield Retail Park. The project's focus has always been the development of local SMEs and social enterprises by promoting them as part of a cohesive offer; their colocation on a single physical site as part of a wider visitor attraction offer was a means of generating footfall for them and North Carrick.

b. While these were all characteristics of the initial enterprise concept there was an imbalance of emphasis on different aspects. It focused on the end-product rather than on building the capacity required to deliver it. There was too much emphasis on the demand-side market offer (tourism and retail) which suggested an out-of-town location on a likely commercial scale; it met a minimum requirement in relation to existing businesses but offered limited additionality for Maybole and North Carrick villages. It was unlikely to be unique enough without a theme, perhaps be better suited to medium-to-large enterprises, could struggle to deliver significant social/ environmental impact, and likely clash with planning, town centre regeneration and environmental policies. It's possible that it could be viable if it was of sufficient scale, but this would depend on an equally significant market opportunity and level of investment. Perhaps one to consider for a commercial developer rather than a community one such as NCCBC.

c. The recognition for needing to adapt and further develop the initial enterprise concept was aided by the project assessment criteria developed by the SWG and the study research that informed its assessment. Although commercial considerations are the more heavily weighted criteria, over half concern community fit or social/ environmental impact. These criteria have been refined and strengthened in places throughout the study and remain valid for guiding future stages of project development and implementation.

d. Amongst these the criterion of avoiding 'business displacement' has been prominent but, building on the description of what this means in the context of the project, it is important to recognise that what this does not imply is an absence of competition with some existing local businesses. Rather that the project should not distort the market in such a way as to be directly responsible for this displacement (i.e. an existing business that is inefficient/ ineffective will perform poorly of its own accord). The project can ensure parity by also offering services and support to existing enterprises and incorporating appropriate existing providers into its enterprise model.

Market Assessment

e. Retail parks have performed relatively well in the UK pre/ post pandemic as part of a multi-channel retail mix and a number of current consumer trends support the provision of a targeted offer. At the same time the volume and density of North Carrick's population and the appeal it has for specific segments of the tourist market likely necessitate a mixed product/ service offering to match target visitor numbers and interests that vary as the year progresses, in order to sustain a year-round market for an RRP and its enterprises.

f. Small businesses, tourism and retail are key components of North Carrick's economy and a project that targets enterprise and employment growth offers potential opportunities and positive destinations for its beneficiaries.

g. While no exact template for replicating NCCBC's original idea has been found through this study there are several exemplars that demonstrate similarities in circumstance and success in achieving some of NCCBC's project goals. It is reassuring that these exemplars have apparently been designed or grown organically to reflect the particular operating environment in which each finds itself. There is potential for NCCBC to apply specific aspects from these and others to achieving its project goals while taking account of the operating environment in North Carrick.

h. Direct feedback from stakeholders indicates their support for the motivation and goals for the project and some of the characteristics of the initial enterprise concept. Also, a willingness to contribute to shaping the concept project to better achieve these and to address concerns, in order to meet a perceived need for North Carrick. This was also reflected in some limited feedback from the wider community. While current market conditions might not support the launch of such a project in the short-term the expectation is that these conditions will improve in the medium-to-long term to coincide with the likely timescale for development.

Proposed Enterprise Model

i. Study findings and discussions to this point gave some clear indications of where the enterprise concept needed to be adapted in terms of market demand/ supply focus, theme and product/ service offer, location and reach, impact focus, and development approach. Changes in these and other aspects are reflected in the proposed enterprise model and its revised working title of Heritage Enterprise Village. This has given the SWG a level of confidence in the market opportunity and project viability, project integrity and strategic fit, and the type of economic, social and environmental impacts it might generate. An outline business plan and development approach starts to describe how this enterprise concept might be delivered. Having established this enterprise model, further R&D is required to qualify and quantify some of the prospective inputs, outputs and outcomes.

Development Approach

j. A phased approach to project development and implementation is recommended to garner community and stakeholder buy-in; initiate, market-test and scale-up the project; secure investment; and manage risk and reward. This involves a series of further R&D activities to move the project from a paper plan to boots-on-the-ground to a show-and-tell position. A long-term masterplan with clear interim phases and a project steering group that can transition to a development and management subsidiary company of NCCBC is key to this approach. Only a limited range of sources of funding and finance is available to support interim delivery activities and future capital development projects. But, many of these are specifically interested in these types of projects so it is important to have prepared 'shovel-ready' plans for the next project phase for when the operating environment and timing become appropriate, as the previous phase is being implemented.

k. The business risks associated with the project are not uncommon for a project of this type and size. There are various established approaches to managing and mitigating these risks and a phased approach to development should reduce the likelihood of them being realised or reduce their impact if they are.

Strategic Fit

l. As much as through describing what the project should be, the study process has helped to shape the proposed enterprise concept through identifying what it should not: out-of-town; primarily focused on retail, leisure and tourism; of commercial scale; additional to, but separate from the rest of North Carrick's businesses and communities. A number of significant adaptations to the initial concept seek to address the concerns identified through study research, particularly in relation to an out-of-town location and planning regulations, a 'town-centre first' strategy, and environmental impacts.

m. A focus on heritage enterprise service and support and community asset development gives a clear indication as to the primary purpose of the project and the secondary benefits that can be achieved. These are seen to contribute to NCCBC's mission and goals, meet local needs, and align with a range of local, regional and national public sector policies and strategies. Also, to other strands of the wider Foundations for Recovery project particularly in relation to the development of skills, community and tourism. Demonstrating this alignment could be further aided through the production of a logic model to show the cause and effect relationship between community need/ market demand, the enterprise model's inputs/ outputs/ outcomes, and the delivery of local, regional and national priorities.

Overall Conclusion

n. The overall conclusion of the study is that the development and operation of a Heritage Enterprise Village in North Carrick that is focused on 'market-making' for heritage enterprises and their customers is realistic and potentially achievable and sustainable. This based on:

- a mixed product/ service offering, primarily focused on enterprise services and support, with heritage – built, natural, cultural – as its theme
- a target composition for the enterprises it supports (new/ existing enterprises, micro/ small/ social enterprises, heritage products/ services) and target market focus (residents and niche tourists) for these enterprises
- A phased development approach of a flagship site in an edge-of-town (Maybole) location, and subsidiary sites and a network of heritage enterprises across North Carrick
- A preference for using existing vacant/ underused community assets
- A dedicated social enterprise to develop and manage it, supported by external expertise as part of an outsourcing business model

5.3 Next Steps

a. SWG to review study report for comment and amendment

b. SWG present to NCCBC Board for comment and final approval

c. NCCBC present and discuss in detail with key stakeholders

d. Report back to NCCBC Board for a project STOP/ GO decision

e. (Assuming a GO decision) Secure funding for further R&D work (e.g. dedicated internal resource for project development tasks, professional advisers)

f. Recruitment of a development steering group and production of an HEV Masterplan

APPENDICES

Appendix A: Exemplars

Appendix B: Policy/ Strategy Fit

Appendix C: Evolving Project Assessment

Appendix D: Business Model Canvas

Appendix E: Potential Sources of Funding and Finance

Appendix A: Exemplars

Organisation: Dunhill Eco Park
Theme: Out-of-town venue/ outlet
Website: http://www.dunhillecopark.com/
Location: Dunhill, Ireland

Overview

Established by members of the Dunhill community in 2000, Dunhill Ecopark is an enterprise park and social enterprise whose mission is to cultivate an entrepreneurial culture and facilitate job creation. Dunhill Ecopark is the umbrella brand under which an integrated set of innovative projects including enterprise, environment, tourism, education, heritage, performing arts and social projects and initiatives are being continually researched and implemented in collaboration with public agencies, private individuals and bodies. All projects and initiatives are aimed at integration, inclusion, and collaboration to achieve the greatest synergy, effectiveness and efficiency in results; they all aim to add value to existing community activities and neither compete with or replicate what is already in place and working well. Dunhill Ecopark accommodates a wide range of businesses and services. A number of successful businesses which were incubated in Dunhill grew significantly and migrated to other locations. This economic activity happened in an area where comparable jobs would not otherwise have been available and with minimal financial support from the state and was developed and managed by volunteers.



Products/ Services Offering

Food Themed Tenant Businesses

- Park Café: Fresh home-cooked food on weekdays. Open to everyone, not just students & Ecopark tenants. Home to a range of Ecopark produce including products by El Sombrero, Tastefully Yours, Healys, Pure Food and others.
- Mezze – Middle Eastern Foods: Mezze produce a range of Middle Eastern foods for retail and catering including lavosh flatbreads, spice blends, dips and salads.
- Frothing Ferments: Frothing Ferments are artisan producers of fermented Food and Beverage products.
- Pure Food Company: Pure Food Company locally source and hand select their natural, quality ingredients to create a selection of fresh and vibrant pestos, sauces and dips. The use of the finest quality ingredients and the good old-fashioned methods ensures a bold, pure flavour.
- Tastefully Yours: Tastefully Yours make chutneys, relishes and pickles handmade in the kitchens in Dunhill Ecopark. They use fresh produce as soon as it comes into season and source all of their raw materials locally where possible, including chillis which are grown in the polytunnels located within Dunhill Ecopark.
- Irish Gourmet Butter: Building on the award-winning excellence achieved by previous generations and maintaining the highest quality standards, Irish Gourmet Butter deliver premium Irish butter to all customers.
- Healy's of Waterford: Healy's of Waterford produce a range of handmade products using only fresh and locally sourced ingredients. Their jams, quiches, paté, soups, sausage rolls and desserts are available to buy directly from their unit in Dunhill Ecopark.
- Barefoot Farm: Barefoot Farm grows from the heart of Dunhill, using the highest principles and standards. Their specialty is growing mixed salad leaves in both summer and winter and grows a striking and interesting mix, with a focus on quality and freshness.




Arts/ Crafts Themed Tenant Businesses

- Vivien O'Malley Ceramics: Intricately decorated porcelain inspired by the exquisite Irish Landscape. Vivien O'Mailey Ceramics hold regular ceramic classes for all levels of experience.
- Noel Whelan Furniture Design: Noel is one of Ireland's top furniture designers making domestic and corporate furniture such as boardroom tables, executive office furniture and reception desks for businesses all over Ireland. All the furniture is handmade and especially designed for clients.
- Trish's Honey products: Trish's Honey products is a cruelty free, earth positive, organic, hand-crafted, nutrient rich, sustainable, highly concentrated and completely effective skincare line.

Tenant Businesses - Other

- Tomac Products Ltd.: Tomac Products was established in 2000 to provide a quality and reliable supply of Repair and Maintenance Products. Supplying all sectors including Automotive, Industrial and Engineering.
- Tramore Credit Union: Tramore Credit Union is committed to providing a broad range of innovative financial products supported by the excellent service of a dedicated, well-trained staff, management, and board of directors.
- Waterford Leader Partnership: Waterford LEADER Partnership Ltd. (WLP) was formed in 1991 as one of the four rural-based Partnership companies under the national Programme for Economic and Social Progress (PESP). WLP offers economic, social and cultural services to small businesses, community groups and individuals not only in Ireland but also in main land Europe.

Other Offering

- Hot desk innovation centre: hot desking: flexible pricing options; tailored business mentoring and support; access to business and funding networks and contacts; ergonomic workstation and chairs; full IT and telecoms ready to go; on site reception; telephone answering and messaging service; board room and conference facilities; and free car park
- Units and offices for rent: quality affordable unit space for small to medium sized businesses.
- Mentoring support: an Ecopark Mentoring Committee of fourteen people qualified in a variety of disciplines are available to provide advice to start-up businesses on request.
- Dunhill Multi-Education Centre: a community owned education centre established to empower people to get the full benefits and power of an educated mind, in all aspects of their life – at work, at home, at play. The mission of the centre is to provide a hub of learning excellence, to create opportunities for people to succeed and facilitate access to education for all groups.
- Research and projects: Dunhill Eco Park are involved in pioneering a diverse range of projects and initiatives. For example, the ACTION Project was a two-year pilot running from June 2010 to June 2012. The project aimed to assist Community and Social Enterprises to grow through the replication of good ideas, peer support and the development of 'social franchises'. The project partners, the University of Wales Trinity Saint David and Dunhill Rural Enterprises Limited, were seeking to build upon our backgrounds in the Community and Social enterprise sectors, to build strong links and seek sustainable future revenue generation avenues for their respective communities.

Infrastructure

Legal/ Charitable Status

Dunhill Rural Enterprises Limited (DREL) was set up to work on the promotion and development of enterprises and education projects within the Ecopark. DREL is a registered not-for-profit, limited liability Company, with charity status.

Staff

7 full time staff members, 25-30 part-time staff and a team of 20 volunteers.

Site and Facilities

In 1999, Dunhill Rural Enterprises Limited (DREL) was formed and they purchased two acres of land at Ballyphilip, known as the 'Copper Coast' - an UNESCO accredited global Geopark in southern Ireland. This was later extended by 9.5 acres to 11.5 acres in total. Other onsite facilities include:

- Community Garden: The community garden is situated next to the wetlands, weather station and apiary at the rear of the Ecopark and is a key asset for Dunhill Ecopark. It was created with the aim of providing opportunities for environmental education for schools and the community as a whole. It provides a creative and natural space to relax and to learn about growing your own food and sustainable living.
- Integrated Constructed Wetlands (ICW): Dunhill Rural Enterprises Ltd. have invested 2.5 acres of land at Dunhill Ecopark for Integrated Constructed Wetlands [ICW]. These wetlands naturally treat all the waste-water generated at Dunhill Ecopark.
- Bee Apiary at Dunhill Ecopark: The East Waterford Beekeepers Association (EWBA) installed the first hive of a bee apiary at Dunhill Ecopark, amongst its integrated constructed wetlands in 2009. The purpose of the apiary is to have a communal hive for the Association where those interested can learn more about bees and beekeeping.
- Weather station: A weather station is in operation at the Dunhill Ecopark to facilitate its Constructed Wetlands project. This station provides continuous information on temperature, wind speed and direction, humidity, sunshine and precipitation to see how they impact the Wetlands performance.

Organisation: Midsteeple Quarter

Theme: Town centre venue/ outlets

Location: Dumfries, Scotland

Website: https://www.midsteeplequarter.org/

Overview

Midsteeple Quarter (MSQ) is a community benefit society set up and run by the people of Dumfries to "help shape a new future for our town centre; one that responds to the needs of our community and is run for their benefit". Its key principle is to bring a specific area of Dumfries High Street back under community control. Since 2018, it has taken a phased and financially sustainable approach to acquiring, developing and providing residential and commercial property within this area, for the ownership and benefit of the local community.

Offering

MSQ originated as a project of The Stove Network (The Stove) , the UK's first artist-led community development trust. The Stove came to occupy an empty property at 100 High Street to provide space for artists and other creative professionals, a café, and its own office space. As part of The Stoves work with the community to use creativity to reinvigorate public life in the town centre a vision was developed of a town centre block regenerated by the community to bring vacant and underused properties back to life. In turn that this will act as a catalyst for further investment and re-establish the town centre as a high quality, resilient, thriving community.

Over a 20-year period out-of-town retail and online shopping started taking people away from the High Street, while building rents were too high for local businesses, particularly start-ups. This resulted is an series of empty, disused and significantly decaying buildings belonging to absentee owners. Following a period of intense community consultation and conversation, which remains ongoing, MSQ has developed and implemented a community-led vision for the town, centred on community ownership, a diverse High Street and bringing back people to live in the town centre.

The focal point of this regeneration is an area of 9 urban-block scale properties in an area of the High Street known as Midsteeple Quarter after the Grade A listed Midsteeple building that dominates the town centre. Plans for the new town block will diversify the High Street and see empty property brought back into use for affordable housing for local people and for enterprise space for working, making and selling.

Development Approach

Given the nature and scale of the challenge MSQ has taken a phased approach to the development and implementation of its vision:

- A masterplan, feasibility studies, business case and business plans were developed for the block. In part these ensure MSQ's development approach is aligned with Scottish Government and local authority policy, legislation and strategy (e.g. land reform, community empowerment, community right to buy) to gain ownership of underused buildings. In order to facilitate its long-term strategic regeneration plan, MSQ seeks to use the powers afforded to them within the Land Reform (Scotland) Acts of 2003 and 2016 including the right to force the sale of private assets where they can be shown to have been abandoned, neglected or detrimental, or a case can be made for more sustainable use.
- This alignment, along with the volume of initial and ongoing level of community engagement and support, has seen the development project secure the support of Scottish Government, Creative Scotland, South of Scotland Enterprise, Dumfries and Galloway Council, and a range of other public/ third sector organisations and funding trusts/ foundations. While maintaining a close working relationship, MSQ has operated independently of The Stove since 2018 when it was established as a community benefit society
- As the only publicly-owned property within the physical boundary of MSQ, 135-139 High Street (formerly known as The Baker's Oven and now known as The Oven) was identified as the first property to be targeted for ownership and development. This was transferred to MSQ for £1 under DGC's Community Asset Transfer policy in 2018.
- The Oven was acquired as a 'proof of concept' for the MSQ vision and is its flagship property. Following its acquisition it entered an interim phase of 'creative caretaking' using the downstair space to sustain community engagement through project events and exhibitions and to provide flexible space for community use and pop up activities. This enabled MSQ to test the building's spaces, uses and market for redevelopment.
- The remaining 8 buildings were in the private ownership of pension funds, family trusts and speculative investors, each with varying motivations as to if and when to sell. None of the properties are in a good state of repair, none have any uses above ground floor. In September 2020 a further 2 buildings were purchased, 113-115 and 117 High Street (The Smithy and The Press), and 2 more (109 and 111 High Street) in early 2021. The Spring of 2021 saw the commencement of redevelopment work commence on the first of MSQ's buildings, The Oven: 6 apartments for affordable rent and prioritised for local people; lower floors providing enterprise space with a focus on creative industries.

Key learning so far includes:

- Acting with the permission of the community
- Stewarding an ongoing local conversation
- Applying and influencing local and national policy to secure support and create opportunities
- Using different funding pots to build community wealth
- Openness to experimenting, committed to action
- Building a resource base of expert and experienced directors paid project workers, volunteers, community participants, professional advisers, public/ third sector advocates

Scottish Government and other stakeholder organisations recognise MSQ as community-led regeneration in an urban context and as an example to be followed by other Scottish towns struggling due to the downturn in High Street retail.

Organisational Capacity

Dumfries High Street Limited, trading as Midsteeple Quarter, is a Community Benefit Society with open membership within all Dumfries post-code areas and associate membership for those from further afield. Further to this, the organisation has a subsidiary company, Dumfries High Street (Property) Limited, to take ownership of the assets and manage the properties. MSQ is governed by a Board of Directors comprising representatives of The Stove, local business people and professionals and community members (including representation from the local Community Councils). In terms of staff MSQ has an Executive Director and an Administrator/ Coordinator. These are supported by volunteers and professional advisers and suppliers.

MSQ has adopted a mixed finance model for development and operations: community shares, community bonds, capital grant funding, revenue grant funding, public donations, social lending, commercial mortgage, generated income from private renting, commercial leasing and service charges. This income is used to meet the cost of services, management fees, and building repair/ renewal. Net surpluses are reinvested in the organisation and its social purpose

MSQ's most recent published accounts (2020) reports 398 members, c£186k of development revenue funding and c£119k in net assets. CEIS estimate that, to date, over £3m of grant funding has been secured from a range of public, private and individual sources to support project research and development activities, building acquisition and capital development.

Sources

Midsteeple Quarter website - https://www.midsteeplequarter.org/

Dumfries: The Stove and Midsteeple Quarter, November 2019, Carnegie UK Trust

Case Study – Midsteeple Quarter, Dumfries and Galloway Small Communities Housing Trust

Appendix B: Policy/ Strategy Fit

Policy/ Strategy Area **RRP Key features**	Community Devpt.	Economic Devpt.	Employability	Tourism	Retail	Environ. & Travel	Planning
1. place for shopping for local foods and products	x			x	x		
2. a monument of national importance	x			x			
3. visitor facilities	x	x		x			
4. programme of leisure activities events		x		x			
5. long/short term, retail workshop space	x						
6. training and employability opportunities for local people		x	x	x	x		
7. support for self-employed/start up/ small enterprise	x	x	x				
8. direct promotion of Maybole and North Carrick Villages	x	x					
9. environmentally sustainable deign and operation				x	x	x	x
10. owned and managed by a local, not for profit organisation	x	x					

Appendix C: Evolving Project Assessment

Assessment Criteria	Description (This development will…)	Weighting	Round 1 Score (0-5)*	Round 1 Weighted	Round 2 Score (0-5)*	Round 2 Weighted	Round 3 Score (0-5)*	Round 3 Weighted
a. Market Attractiveness	Meet identifiable needs and demands of tourists, local community and businesses, of sufficient volume and value.	*3*	3	9	5	15	5	15
b. Financial Viability	Generate annual income to at least meet its direct and indirect costs, and to support ongoing investment in its assets and service developments	*3*	3	9	3	9	4	12
c. Development Feasibility	Be possible, capable and likely to be delivered from both a technical and a financial perspective; supports phased development/ expansion	*2*	2	4	2	4	4	8
d. Environmental Credentials	Be environmentally sustainable in its design, construction and operation	*2*	4	8	2	4	4	8
e. Strategic Fit	Contribute to or align with policy/ strategy/ funder target outcomes	*2*	4	8	3	6	4	8
f. Place Principle	"combine people, location and resources to create a sense of identity and purpose to address the needs and realise the full potential of the communities of North Carrick"* Specifically in its relationship with Maybole and North Carrick Villages, local people and businesses, area development plans.	*2*	4	8	2	4	4	8
g. Local business displacement & collaboration**	Avoid the reduction in economic activity of local businesses in Maybole and North Carrick Villages that would not incur in its absence. Actively create opportunities for collaboration with these businesses.	*2*	4	8	2	4	4	8
h. Social Return on Investment	Deliver social and economic value for people and businesses in North Carrick, commensurate to the investment in its development and operation	*2*	2	4	3	6	3	6
				58 (64%)		**52 (58%)**		**73 (81%)**

*Scoring (0-5): based on the extent to which the option meets the criteria – **NOT MET** (negative) 0 to 5 **FULLY MET** (positive)

** Given the same score as *Criteria F* for Round 1 & 2 following its subsequent addition; scored independently in Round 3

Appendix D: Business Model Canvas

Business Model Canvas

The *Business Model Canvas* format. The model describes the internal and external elements of the offering to target customers, and the operations and finances associated with this, in terms of:

- Customers: segments, profile, needs; channels for promotion, selling and delivery; points of interaction between the enterprise and its customers
- Offering: the SE's value proposition of its products/ services to these customers
- Infrastructure: key activities, resources and partners required to deliver a value proposition
- Finances: revenue streams, cost structure, and the relationship between these.

The enterprise model for the social enterprise should be considered in terms of:

External Elements

- The Customer Segments for the SE and which of these are most important to the success of the enterprise
- The SE's Value Propositions, via its product/ service offerings, to each of these customer segments
- The type of Customer Relationship exists between the SE and these customer segments in relation to these value propositions
- The Channels used by the SE to promote and deliver these value propositions to its customer segments
- The Revenue Streams that are derived from these customer segments

Internal Elements

- The Key Activities involved in delivering these value propositions
- The Key Resources are required to support these key activities
- The Key Partners in undertaking key activities or providing key resources
- The Cost Structure for these key activities and key resources, and its relationship to the SE's revenue streams

A summary of the proposed HEV enterprise model is provided on the following (A3) page.

HEV Enterprise Model

Key Partnerships

How these activities/ resources are fulfilled/ provided

Inhouse
[Activity a-i]

Key Suppliers
1. Event management company: (tbc) **[e]**
2. Property management company (tbc) **[i]**
3. Asset/ property owners: (tbc)
4. Heritage interpretation consultant: (tbc)
5. Network enterprises
6. ICT supply/ maintenance: (tbc)
7. Marcom design and production: (tbc)

Key Partners
8. Marcom campaigns: (e.g. Business Gateway, Ayrshire CoC, VisitScotland, Ayrshire Tourism Alliance, Scotland Loves Local) **[b]**
9. Café operator: (tbc) **[j]**
10. Enterprise support agencies: (e.g. Business Gateway) **[k]**
11. Employability providers: (tbc) **[l]**
12. Skills/ Qualifications framework (sector skills councils, SQA)
13. Core revenue funding: (e.g. SG, SAC, trusts/ foundations)

Key Activities

The key functions/ activities that underpin the enterprise

a. Network enterprise planning, engagement, recruitment, liaison
b. HEV/ network marketing; community engagement
c. Enterprise business services
d. Visitor services (information, heritage interpretation, showcase)
e. Activity/ event, planning/ management
f. Funding/ service agreements/ sponsorship (relationships, bids, management, reporting)
g. HEV workforce supervision and support
h. HEV management and administration
i. Property management (developments, tenancies, hires, services, repairs/ maintenance)
j. Café operation
k. Enterprise start-up/ growth services
l. Employability services

Key Resources

The key resources required to deliver these activities

- HEV workforce (core/ sessional staff, volunteers)
- HEV flagship site (enterprise space, visitor centre, event space, facilities) **[Partner/ Supplier 3]**
- Other HEV outlets across NC **[3]**
- Heritage interpretation resources **[4]**
- Stock (enterprise products) **[5]**
- Multi-enterprise ICT infrastructure
- Website/ online sales platform **[6]**
- Marcom materials and channels **[7]**
- Enterprise support programme **[10]**
- Beneficiary referrals **[11]**
- Skills and qualification frameworks; training programmes **[12]**
- Core revenue funding **[13]**

Value Propositions

The enterprise offer to each Customer Segment to meet its needs

North Carrick Heritage Enterprise Village: a 'hub and spoke' network of new and existing heritage enterprises, artworks and other attractions across North Carrick that provides positive heritage, leisure and buy-local experiences for residents and tourists.

Key product/ service categories and their associated value/ benefits are summarised below. See *Enterprise Concept* for full description of product/ service features.

- Heritage Enterprise Services **[Segment 1,3,4]**

HE/ small business focus, access to target market, affordable business space/ facilities/ business services, flexible occupancy, NC-wide network, economies of scale – overheads, marketing, access to expert help, collaborative learning, access to work-ready labour pool; meaningful skills training, qualifications, work experience; enterprise/ workforce growth.

- Heritage Enterprise Village **[Segment 2, 3,4]**

Convenience of flagship site; focus on heritage products/ services, quality products, value-for-money, heritage learning/ participation experiences, activities/ events programme meriting repeat visits, visit duration options, access to visitor facilities, signposting to other NC HEV 'spokes', ongoing access via online shopping; increased footfall to NC, preference for working with existing assets/ provision, complementarity not competition, buy-local/ green/ social enterprise credentials, positive brand association

Customer Relationships

How the enterprise interact with its customers at points of contact

- 1-2-1: heritage enterprises for business space, network services and enterprise support; impact organisations for funding/ contracts/ sponsorship
- 1-2-many: visitor facilities, services, activities/ events, community engagement
- Remote: ecommerce, social media
- Via 3rd-parties: enterprise support, employability, café, activities/ events, product/ service experiences

Channels

'Entities' used for customer communication and service delivery

Promotion: B2C/ B2B; HEV network outlets; branding; online/ digital marketing; content marketing; advertising; PR; printed materials; proposals/ funding applications; network events (B2B/ B2C/ C2C); joint enterprise/ partner initiatives

Purchase: network member contracts/ agreements; HEV showcase; HEV ecommerce (enterprise products/ services, HEV ticketing)

Service delivery/ participation: direct (HEV flagship); indirect via HEV network members; phone/ email/ website messaging; 3rd-party for enterprise support, employability, café

Customer service: direct (HEV flagship); indirect via HEV network members; phone/ email/ website messaging

Customer Segments

The enterprise's customers/ consumers

Sectors
Primary: enterprise, community devpt., tourism
Secondary: community asset devpt., employability

Target Geography
North Carrick/ South Ayrshire: enterprises
North Carrick: residents of/ tourists to

Segments

1. Local Producers/ Makers*

Producers/ makers, artisans, craftspeople, artists; new/ existing small businesses and social enterprises, entrepreneurs; North Carrick/ South Ayrshire heritage businesses

Key Needs: routes to market, business space, economies of scale, start-up/ growth support

2. Visitors*

- Residents of North Carrick: individuals, families, organised groups
- Tourists: inbound tourists, overnight, in transit, day visitors; independent travellers, organised tour groups
- Particularly ethical/ green consumers in both segments

Key Needs: destination activities, purposeful purchases, purchase experiences, ethical consumption

3. Community

Wider community of North Carrick; people and businesses

Key Needs: employment & training, increased footfall, community assets

4. Impact Organisations

Public sector funders/ service commissioners; charitable trusts and foundations; private sector sponsors

Key Needs: social/ economic/ environmental/ beneficiary outcomes; CSR, positive brand positioning

*most important customer segments

Cost Structure

The key cost of these activities and resources in relation to the enterprise's revenue streams

Main costs: premises (operating costs, repair/ maintenance), direct workforce, outsourced services, marketing
Most expensive Key Resources: HEV workforce, HEV premises
Most expensive Key Activities: outsourced services, visitor services, enterprise business services
The majority of operating costs are fixed costs requiring a minimum scale of operation in order to be met. There is choice in which standalone projects/ services are undertaken but a minimum value of funding or volume of activity is required in order to do so.

Capital development projects are costed separately from the HEV operating model and will proceed subject to business case and confirmation of funding and finance.

Revenue Streams

How the enterprise generate income from the Value Propositions

Generated income **[1,2]:** rent/ service charge; showcase/ ecommerce product/ service sales commission; activities/ events licencing or sales

Grant funding **[4]:** project funding – enterprise, employability, tourism, community development; contribution to network services

Sponsorship **[4]:** corporate; in-kind services

Currently Pay for?: unsuitable premises; travel for specialist shopping/ activities; social/ economic/ environmental outcomes; brand association

Willing to pay for?: appropriate space, network membership; heritage products/ services locally, heritage/ purchase experiences; more/ better outcomes; brand association.

Pricing Strategy
HE space/ services: subsidised market-rate for a qualifying period; market-rate
HEV products/ services: commission on standard retail price
HEV activities/ events: FOC, subsidised market-rate, market-rate
HE/ HEV funded projects: cost plus overhead contribution
Sponsorship: value-based pricing

Appendix E: Potential Sources of Funding and Finance

Capital and/ or Revenue Funding

Funder	Fund	Overview	Typical Funding
Co-op Foundation	Carbon Innovation Fund	The purpose of this funding is to support work that reduces greenhouse gas emissions in the food and farming sector. They also want to fund projects that create benefits for the wider community and can demonstrate how the work will support those most affected by climate change. The Carbon Innovation Fund will support projects that reduce greenhouse gas emissions and could be related to one of the following: • Behaviour change (among consumers or producers) • Farming and food production practices • Initiatives around regenerative agriculture/agro-ecology • Community supported agriculture initiatives • Supporting diversity, resilience and learning amongst key players in the food & farming sector	£75,000 - £100,000
Cruden Foundation	(Grant Funding)	Support charitable projects and activities in Scotland or those which benefit people who live here. There is a strong focus on community welfare, medical support and research, the arts, education and conservation. The Trust is keen to support charities involved in one, or more, of the following areas: - Artistic activities that are supportive of cultural enhancement in the community. - Community social activities which promote social engagement for vulnerable people, mitigating against isolation and loneliness.	Maximum: £20,000 Annually awarded: £305,250
Dulverton Trust	(Grant Funding)	The Dulverton Trust is an independent grant-making charity supporting organisations which are tackling a range of social issues, protecting the natural world, and preserving heritage crafts. The Trust currently offers funding across the following categories: • Youth Opportunities: aims to support charities working with socio-economically disadvantaged children and young people. Funds initiatives that support young people to develop the life skills to enable them to thrive. • General Welfare: supports a wide range of charities that benefit disadvantaged people and communities • Conservation: supports charities working to support the health and resilience of the UK's wildlife habitat • Heritage: supports the development of craftsmanship in the traditional techniques of repair and restoration • Kenya and Uganda: restricted to charities which already have a long association with the Trust • Peace and Humanitarian Support: currently closed to applications.	Average grant is between £25,000-£35,000 but you can apply for what you need
EB Scotland	Scottish Landfill Communities Fund 0141 227 4737	The fund offers funding to projects through the Scottish Landfill Communities Fund (SLCF). It will consider applications across all types of projects included in the SLCF Objects including: land reclamation, community recycling, public amenities and parks, biodiversity and historic buildings. No strict timescales ; assess based on demand. Once they decide on a meeting they will set a deadline for receipt of applications. They prefer to speak to applicants in the first instance and make them aware of deadlines at that point.	Not specified Annually: c£1.5m

Funder	Fund	Overview	Typical Funding
Garfield Weston Foundation	(Grant Funding)	The Foundation supports a broad range of organisations and activities that share a commitment to making a positive impact to the lives of the communities in which they work, and that are driven by a desire to achieve excellence. They make grants across the UK to organisations in the following categories: Arts, Education, Youth, Health, Community, Museums and Heritage, Environment, Religion and Welfare	Regular grants (under £10k) up to major grants (£100,000+)
Hugh Fraser Foundation	(Grant Funding)	The Foundation makes donations to charities working in many different sectors including medical research, hospitals, education, organisations working with the young and aged, the handicapped and the under-privileged and arts organisations. So long as the object is charitable the Trustees will consider any application from a registered charity.	Doesn't specify but awarded major funding in the past e.g., £200,000 to Paisley Museum
People's Postcode Trust	(Grant Funding)	The aim of People's Postcode Trust is to support smaller charities and good causes in the Scotland to make a difference to their community for the benefit of people and planet. They support projects under the following categories: - Improving mental wellbeing - Enabling community participation in the arts - Preventing or reducing the impact of poverty - Supporting marginalised groups and promoting equality - Improving biodiversity & green spaces - Enabling participation in physical activity - Responding to the climate emergency & promoting sustainability - Increasing community access to outdoor space	£500 - £25,000 Annually awarded: £2,500,000
Pump House Trust	(Grant Funding)	The Trustees can fund a wide range of charitable activity but are particularly interested in supporting those charities or projects connected with community development, environmental, women's and youth issues with a view to including social inclusion at all levels. In 2020 they funded under the headings citizenship and community development, arts, conservation, health, human rights, relief of poverty, religion and sport.	Not specified
Robert Barr's Charitable Trust	(Grant Funding)	The trust supports the relief of poverty, aid for the aged, the infirm and handicapped, the advancement of education, the provision of recreational facilities and the preservation of buildings or other items of national or historic interest. The Trustees also tend to favour capital projects rather than running costs. Categories of funding include: child and adult welfare; environment and conservation; animal welfare; medical research and support; research and education; international welfare and arts.	Minimum: £2,000.00 Maximum: Not specified Average: £24,049.00
Scottish Government	Investing in Communities Fund	A community-focused fund supporting organisations based in the places they serve delivering activity across the following four areas for action: • Tackling Poverty & Inequality, including Child Poverty • Developing and Sustaining Place Based Approaches • Community-led Regeneration • Ensuring a just transition to Net Zero The value of the fund is expected to be approximately £10 million each year. ICF Round 3 is anticipated for 2026-29.	£5k - £150k per year £350k maximum for 3 years

Funder	Fund	Overview	Typical Funding
Swire Charitable Trust	(Grant Funding)	The Swire Charitable Trust awards grants via three funding programmes: • Opportunity: Improving life changes, realising potential • Environment and Heritage: Connecting people to the environment • Heritage: Regeneration through restoration They prioritise charities that operate in some of the most economically disadvantaged parts of the UK and work with people from the most challenged backgrounds. They are happy to offer unrestricted grants to charities whose work is closely aligned with their funding priorities.	No maximum or minimum grant size - smaller grants of <£25k and large grants of £25k+
The National Lottery Community Fund	Climate Action Fund	The Climate Action Fund will support communities in the UK to take local action on climate change. These communities will demonstrate what's possible when people lead in this work. With this support, they will share their learning and engage with others to build a broader movement of change across the UK. The focus of the funding will be the link between nature and climate. In particular, they are interested in projects that can do at least one of the following: - show how creating a deeper connection with nature will lead to changing people's behaviours and greater care for the environment - show how by bringing nature back into the places we live and work, we can help communities to reduce or adapt to the impacts of climate change.	Maximum: £1,500,000
The National Lottery Community Fund (Scotland)	Community Led Activity	Funding to support communities to bring real improvements to the places they live and the wellbeing of those in need. Support community-led organisations to deliver longer term work as well as shorter term activity such as supporting communities deal with the impact of COVID-19. You can apply for funding for up to three years to improve or continue existing services, or to develop new activity. They will fund organisations to deliver work that achieves the following outcomes: • Everyone in the community has the opportunity to influence and get involved in community led activity • People in the community are better connected and work together to improve their wellbeing. • They also want to fund work that is people-led, connected, and strengths-based.	£10,001 to £150,000
The National Lottery Community Fund (Scotland)	Scottish Land Fund	The fund will help communities take ownership of the land and buildings that matter to them, as well as practical support to develop their aspirations into viable projects. It supports communities to become more resilient and sustainable through the ownership and management of land and land assets. The Scottish Land Fund is open to organisations in both urban and rural Scotland which are community-led, community-controlled, and defined by a geographic area. The National Lottery Community Fund was previously known as the Big Lottery.	£10,000 - £1m Average: £190k Annually: £10m
The National Lottery Community Fund	Young Start	Young Start is a grants programme that distributes money from dormant bank accounts. They will support a wide range of projects for up to three years that will make children and young people aged 8 to 24 confident, healthy, connected or enterprising. Fund work that achieves at least one of the following three outcomes: • children and young people have better physical, mental and emotional wellbeing • children and young people have better connections with the wider community • children and young people get access to new skills and training opportunities which will help them to get a new job or start a business.	£10,001 to £100,000

Funder	Fund	Overview	Typical Funding
The Radcliffe Trust	(Grant Funding)	The Radcliffe Trust supports the development of the skills, knowledge and experience that underpin the UK's traditional cultural heritage and crafts sectors. This includes support for: - craft and conservation training - practical projects, particularly those that include a strong training element - strategic and capacity-building projects which demonstrate clear benefits to the sector - Special Needs projects whose emphasis is on skills development.	£1,000 - £10,000 Annually awarded: £234,687
The Steel Charitable Trust	(Grant Funding)	The Trustees prefer applications to fall into one of the five core categories below, although applications that fall outside these will be considered in exceptional circumstances: Arts and Heritage; Economic or social disadvantage; Education; Environment; Health	£10k - £25k+ (although grants over £25k are rare)
The Tudor Trust	(Grant Funding)	Tudor makes grants, and provides other types of support, to voluntary and community groups working in any part of the UK. They particularly want to help smaller, community-led organisations that work directly with people who are at the margins of society: organisations that support positive changes in people's lives and in their communities.	There is no maximum or minimum grant, though unusual for a grant of less than £10,000.
The Turtleton Charitable Trust	(Grant Funding)	The Trust was established in 2007 with the particular aim of supporting heritage and the arts, principally in Scotland. The majority of grants are made to charities which advance the arts, culture and heritage, particularly heritage and the visual arts. They also consider a small number of grants each year that support the disadvantaged and the advance education.	£5,000 - £25,000 Annually awarded: £260,000
UK Government	UK Shared Prosperity Fund	The UK Shared Prosperity Fund supports UK Government's Levelling Up agenda, providing £2.6bn of new funding for local investment by March 2025. In Scotland it uses existing strategic geographies and local authorities to draw on the insight and expertise of local partners. The Fund has 3 investment priorities in support of the 4 Levelling Up objectives: communities and place (employment, productivity, R&D); supporting local business (health & wellbeing, crime reduction); and people and skills (employment, productivity, health & wellbeing, skills development).	Total allocation for South Ayrshire for 3 years: c£5m
Zero Waste Scotland	Circular Economy Investment Fund	The Circular Economy Investment Fund is an £18m grant funding opportunity for businesses and organisations in Scotland working in all business and social economy sectors, who are helping to create a more circular economy. They are interested in: • Exploring markets for new circular economy products; • Development and adoption of innovative business models for new circular economy products and services; • Development and uptake of innovative technologies, products and services to support a circular economy.	Project funding is available from £50,000 to £1 million

Funder	Fund	Overview	Typical Funding
Community Business	Crowdmatch	Community Business Crowdmatch will support communities to develop, test or grow community business by match funding what you raise from the crowd. Community owned and run buildings (shop, pub or hub), green spaces, energy project, sports or arts facility or service are examples of the types of project that can take part. Community businesses must be: Locally rooted; Accountable to the local community; Trading for benefit of local community; and Broad community impact. You must be able to demonstrate that the community business has at least one of the following impacts on the community: - Reduce social isolation - Improve health and wellbeing - Increase employability - Create better access to basic services - Improve local environment - Enable greater community cohesion - Foster greater community pride and empowerment	Maximum award Size £10,000
NFU Mutual Charitable Trust	(Grant Funding)	The NFU Mutual Charitable Trust promotes and supports charities in the United Kingdom working in agriculture, rural development and insurance. The Trustees are particularly interested in initiatives in the areas of education of young people in rural areas and relief of poverty within rural areas and will focus on providing funding to larger initiatives, which would have a significant impact on the rural community	£1,000 - £50,000 Annually awarded £1,092,500
Paul Hamyln Foundation	Youth Fund	The Youth Fund supports organisations whose main purpose is about helping young people (aged 14-25) in the most precarious positions, where making the transition to adult independence is most challenging. It supports organisations which work with young people experiencing disadvantage in a way that recognises and builds on their strengths and potential. They will provide core funding to help grow an organisations impact, including: part funding the salary of a key individual; policy work; fundraising or income generation capacity; upgrading IT systems or website; installing a new database to capture data; staff training or development; running costs such as utilities and other bills. The Fund will be restricted to organisations which have the potential to grow their impact by: - replicating a programme or service - widening the reach of an idea or innovation - spreading a technology or skill - advancing policy or enhancing its implementation.	£10,000 - £90,000 Average £75,000.00 Annually awarded £2,400,000.00
The National Lottery Community Fund	Awards for All Scotland	Funding to support what matters to people and communities; it has three funding priorities: - bringing people together and building strong relationships in and across communities - improving the places and spaces that matter to communities - enabling more people to fulfil their potential by working to address issues at the earliest possible stage.	£300 - £10,000 Annually awarded £10,000,000

Capital Funding

Funder	Fund	Overview	Typical Funding
Quaker Housing Trust	(Grant Funding)	QHT give grants and interest-free loans as one-off funding for capital cost items of expenditure across a wide range of practical elements. These include good practice grants for: Environmental assessments; Feasibility studies; Dissemination of good practice; Organisational 'health checks'. And grants and interest-free loans to support: Purchases of property and land; Conversions, renovations or refurbishments; Energy efficiency improvements; Items that improve the safety or enhance residents' quality of life	Maximum award Size £50,000
Scottish Government	Regeneration Capital Grant Fund	Delivered in partnership with COSLA and local government, RCGF is open to applications from all of Scotland's 32 local authorities and supports locally developed place based regeneration projects that involve local communities, helping to tackle inequalities and deliver inclusive growth in deprived, disadvantaged and fragile remote communities across Scotland. Applications to the fund are invited on an annual basis and, where justified, can potentially cover more than one financial year (subject to available budget).	None specified Awards for 2021/22 ranged from £130k to £2.6m
The National Lottery Heritage Fund	National Memorial Heritage Fund	NHMF can help buy anything which is of outstanding importance to the national heritage and either at risk or of memorial character. For example: works of fine and decorative art; museum collections; archives; manuscripts; items of transport and industrial history, historic buildings and land. In exceptional circumstances, NHMF can fund emergency repairs when a heritage asset (excluding historic buildings and structures) is at imminent risk of irreparable damage. There are two funding streams: • Standard funding stream: provides financial assistance towards the acquisition, preservation and maintenance of some of the UK's most outstanding objects and landscapes. • COVID-19 Response Fund: supports heritage that is of outstanding importance to the national heritage and at risk due to the impact of coronavirus.	Annually awarded: £87,865,000
The Robertson Trust	Community Building Grants	Community Building Grants are aimed at charities helping people and communities in Scotland who are experiencing (or at risk of experiencing) poverty, trauma or both. With this capital funding, they want to support the physical development and/or improvement of buildings that will be used to host or deliver a range of work addressing the impacts of poverty and/or trauma under one or more of the following themes: Financial wellbeing; Emotional wellbeing and relationships; Educational and work pathways. It targets community buildings used to support work that: • meets people's immediate needs around poverty or trauma • provides earlier help which aims to prevent or reduce the likelihood of experiencing negative outcomes relating to poverty and/or trauma • tests new approaches or does more of what works is universal (aimed at a wide group of people or an entire community) or targeted (focusing on a specific beneficiary group, e.g. young people), as long as it shows how it will meet the needs of people (at risk of) experiencing poverty or trauma	£2,000 to £75,000
UK Government	Community Ownership Fund	A £150 million fund open to 2024/25 to help communities take ownership of assets and amenities at risk of closure. Funding may support the purchase and/or renovation costs of community assets and amenities, subject to the full eligibility criteria including the ownership of the freehold or a long-term leasehold of at least 25 years minimum (with no break clauses).	Up to £1m of 50% match funding

Revenue Funding

Funder	Fund	Overview	Typical Funding
Esmee Fairbairn Foundation	(Grant Funding)	The Foundation is one of the largest independent grant-makers in the UK. Grants support organisations' core or project costs, including staff salaries and overheads. They also provide unrestricted funding for charities. They do not give grants for building or equipment costs, or individuals. Their new strategy focuses on three aims: • Improving Our Natural World • Tackling injustice to deliver A Fairer Future • Nurturing Creative, Confident Communities	Average grant is £60k
Henry Smith Charity	Improving Lives	The Improving Lives grant programme provides grants to charitable organisations that help people when other sources of support have failed, are inappropriate, or are simply not available. They support established organisations delivering services directly to beneficiaries. The six priority areas are: • Help at a Critical Moment: Helping people to rebuild their lives following a crisis, critical moment, trauma or abuse • Positive Choices: Helping people, whose actions or behaviours have led to negative consequences for themselves and others • Accommodation/Housing Support: Enabling people to work towards or maintain accommodation • Employment and Training: Supporting people to move towards or gain employment • Financial Inclusion, Rights & Entitlements: Supporting people to overcome their financial problems and ensure that they are able to claim their rights and entitlements • Support Networks & Family: Working with people to develop improved support networks and family relationships.	£20k – £60k
LandTrust	Scottish Landfill Communities Fund	Funds environmental improvement projects that involve reclaiming land, the use of which has been prevented by some previous activity; projects that reduce or prevent pollution on land; projects that provide or maintain public amenities or parks within 10 miles of a landfill site; delivery of biodiversity conservation for UK species habitats; projects to restore or repair buildings for religious worship, or of architectural or historical interest within 10 miles of a landfill site The first stage is submission of a pre-proposal form which is emailed following discussion of your project in general terms with LandTrust. Applicants are encouraged to discuss their projects before submitting an application to LandTrust.	None specified Average: £42k Annually: c£1.1m
Lankelly Chase Foundation	Grants Programme	The Foundation seek UK-based partners who are working to reveal, question and dismantle or heal, reimagine and transform systems. They emphasise learning and communicating as they are interested in sharing what is emerging from your work with others.	No award range specified Annually awarded £6,000,000
Robert Barr's Charitable Trust	(Grant Funding)	The trust supports the relief of poverty, aid for the aged, the infirm and handicapped, the advancement of education, the provision of recreational facilities and the preservation of buildings or other items of national or historic interest. The Trustees also tend to favour capital projects rather than running costs. Categories of funding include: child and adult welfare; environment and conservation; animal welfare; medical research and support; research and education; international welfare and arts.	Minimum: £2,000 Average: c£16,000 Annually: c£648k

Funder	Fund	Overview	Typical Funding
The National Lottery Community Fund	Bringing People Together	Bringing People Together funding can support projects that will build stronger connections across communities, and improve the infrastructure and conditions that are needed to strengthen these connections. They are interested in: - bold and experimental responses to bringing people together using new, or new combinations of approaches - new projects or projects that build on existing work - a range of projects reflecting a mix of /communities and places from across the UK.	Maximum award Size £1,000,000
The National Lottery Heritage Fund	Grants for Heritage	Grants for Heritage can fund projects that connect people and communities to the national, regional and local heritage of the UK. For 2022–2023, they are prioritising heritage projects that will meet six of their outcomes: 1. A wider range of people will be involved in heritage (This is a mandatory outcome. Every project we fund must achieve this mandatory outcome as a minimum.) 2. The funded organisation will be more resilient 3. People will have greater wellbeing 4. People will have developed skills 5. The local area will be a better place to live, work or visit 6. The local economy will be boosted	£3,000 - £5,000,000
The Prince of Wales's Charitable Fund	(Grant Funding)	PWCF considers small grant applications from UK registered non-profit organisations supporting grassroots projects in diverse and deprived communities. Their current funding themes are: Heritage and Conservation; Education; Health and Wellbeing; Social Inclusions; Environment; Countryside	Maximum: £15,000 Annually awarded: £3,600,000
The Prince's Countryside Fund	Supporting Rural	The Prince's Countryside Fund provides grants for projects from across the UK which are working to create resilient rural communities. This fund will support community-led projects that are pursuing innovative and strategic solutions to the challenges facing their rural area and improving the long-term viability and resilience of their community. Successful projects will do one or more of the following: - Support people to resolve existing and emerging community issues, circumstances, and priorities - Build rural community resilience - Develop innovative and replicable projects - Enable leadership and community planning	Maximum award Size £25,000
The Robertson Trust	Large Grants	Large Grants focuses on work that addresses the impacts of poverty and/or trauma under one or more of the following themes: - Financial wellbeing; Emotional wellbeing and relationships; Educational and work pathways. Across all three of the themes, they can fund work that: • meets people's immediate needs around poverty or trauma • provides earlier help which aims to prevent or reduce the likelihood of experiencing negative outcomes relating to poverty and/or trauma • tests new approaches or does more of what works is universal (aimed at a wide group of people or an entire community) or targeted (focusing on a specific beneficiary group, e.g. young people). However, an application must show as long as it shows how it will meet the needs of people (at risk of) experiencing poverty or trauma.	£15,000 - £50,000

Funder	Fund	Overview	Typical Funding
The Robertson Trust	Small Grants	Small Grants focuses on work that addresses the impacts of poverty and/or trauma under one or more of the following themes: - Financial wellbeing - Emotional wellbeing and relationships - Educational and work pathways.	£2,500 - £15,000 Annually awarded £1,830,000

Loan Funding

Funder	Fund	Overview	Typical Funding
Big Issue Invest	(Loan Funding)	Big Issue Invest Scotland (BIIS) is a venture established to provide social investment and loan finance to social enterprises, social ventures and third sector organisations in Scotland. Like The Big Issue, BIIS aims to help people to help themselves by investing in social enterprises that have business-like responses to social problems. Big Issue Invest Scotland connects investment with the people and knowledge needed to build a future where social enterprise infrastructure thrives.	£20,000 - £3,000,000
Business Loans Scotland	(Loan Funding)	Business Loans Scotland (BLS) is the Fund Manager for an £15 million loan fund, which seeks to invest in new and growing Scottish SMEs. Business Loans Scotland is also the trading name of the Scottish Growth Scheme - Business Loans Scotland Debt Finance LP (SL033447) and is fully financed by the Scottish Government through the Scottish Growth Scheme. BLS aims to ensure that good, commercially viable proposals do not fail from a lack of access to finance. Additionally, they want to support and encourage the creation, development and growth of Scottish businesses, helping them to trade regionally, nationally and internationally.	£25,000 - £100,000
BWB Foundation	Stephen Lloyd Awards	The aim of the awards is to help create success by finding and nurturing innovative ideas and projects that can lead to practical, sustainable social change. The awards committee is particularly interested in supporting ideas that address social problems at a systemic level. Shortlisted candidates and award winners will receive practical, free support. In addition, funding of up to £20,000 will be made available to support award winners in developing their initiatives. At the shortlist stage the awards will make up to ten awards of up to £2,000 to assist candidates to further develop their ideas. Ideas can include new-start up enterprises or an extension of an organisation's existing work.	Maximum award Size £20,000
CAF - Venturesome	(Loan Funding)	Investments are tailored to the needs of the organisations they finance and can be used for specific projects or to support day-to-day working capital. They can provide loans to support growth or cashflow needs, build affordable homes and get social enterprises started.	£25,000 to £400,000 up to 10 years
Community Shares ICOF Limited	(Loan Funding)	The Community Shares Fund supports community-owned enterprises seeking to raise investment through a community share issue. They offer to purchase preference shares up-to a third of your target for a limited period to help you to get your project started. Preference shares should be seen as a short term investment, typically up to 12 months, to help a project get underway.	Maximum award Size £75,000
Co-operative & Community Finance Limited	(Loan Funding)	Makes loans to employee or community owned social enterprises, including co-operatives, community businesses, development trusts and businesses developed from the charitable and voluntary sector. They welcome applications from new enterprises, workers' co-operatives, employee buyouts, housing and renewable energy co-operatives, community owned shops, pubs and facilities and community shares issues.	£10,000 - £150,000 Annually awarded £4,000,000

Funder	Fund	Overview	Typical Funding
DSL Business Finance	(Loan Funding)	DSL is an active supporter of the social enterprise sector in Scotland and provides loans to social enterprises of various types. The nature of the trading entity will largely determine eligibility and which fund it may be possible to use to support the proposition. Our loans are all offered at fixed interest rates Maximum loan term is 5 years and interest rates from 6% to 9% pa	Maximum: £50,000
Friends Provident Foundation	(Loan Funding)	Friends Provident Foundation's grant giving programme aims to fund organisations and activities that support their vision of a fair and sustainable economy. Their funding is focussed on three main areas: 1. Supporting a strong and diverse movement for new economic thinking and acting in the UK. 2. Supporting 'outsider voices' in pushing for a fair transition to a 4D economy. 3. Transforming financial systems.	Maximum award Size £200,000 Average £148,148 Annually awarded £4,000,000
Local Energy Scotland	Let's Do Net Zero Community Buildings	The Scottish Government's Community and Renewable Energy Scheme (CARES) is here to support communities to engage with, participate in and benefit from the energy transition to net zero emissions. The Fund will help community organisations reduce their building energy costs and greenhouse gas emissions. Funding is available for many types of community buildings, including: community cafes; community hubs; faith buildings; public halls; community halls and centres. CARES supports communities to engage, participate and benefit in the energy transition to net zero. They will support projects that: - accelerate the uptake of community and locally owned renewable energy, to meet Scotland's 2030 2GW ambition - support community involvement in local energy systems that lead to new installations of locally owned renewable energy generation - support shared ownership projects (where a community group invests in a commercial renewable energy project) - assist communities to maximise the impact from community benefit funds through community consultation, action planning and good governance.	Maximum award Size £80,000
Local Energy Scotland	CARES Capital Fund	CARES loan and/or grant capital funding is available to communities developing renewable energy, heat decarbonisation and local energy system projects. CARES capital funding is available for the following. - Capital funding for building level projects can typically be used for renewable energy measures like installation of solar PV panels, energy storage batteries, or for decarbonising heat including linked to energy efficiency measures. - For medium-scale renewable energy generation projects, funding will primarily be through a low interest loan with some grant funding where required.	No award range specified

Funder	Fund	Overview	Typical Funding
NESTA -	Arts & Culture Impact Fund	The Arts & Culture Impact Fund is a new £20 million impact investment fund for the UK's arts, culture and heritage social enterprises. The fund offers loans repayable until March 2030. The Arts & Culture Impact Fund sets out to achieve several objectives for the arts, cultural and heritage sectors: - Provide organisations with appropriate and bespoke repayable finance - Develop the financial resilience of borrowers - Support organisations to better monitor, evaluate and communicate their social impact - Attract additional investment into the sector to help organisations thrive - Promote the wider positive impact the arts, culture and heritage have on society and support more organisations to benefit individuals and communities through their work.	£150,000 - £1,000,000
RBS Social & Community Capital	Community Business Loan (Loan Funding)	Loans are available for viable community businesses and Community Development Finance Institutions (CDFIs). Organisations must be financially sustainable and deliver a positive impact to society and/or the environment. Areas funded: general charitable activities	£30,000 - £1,000,000
Social Investment Scotland	Investment (Loan Funding)	SIS provide loan funding that can finance the purchase of assets or equipment, get you through timing or cash flow issues, help support a new enterprise or simply bridge some grant funding. Areas funded: community development and regeneration, community facilities, general charitable activities.	£10,000 - £1,700,000
Social Investment Scotland	Social Enterprise Net Zero Transition Fund	The purpose of this loan fund is to support social sector organisations in their journey to become carbon neutral, and to develop the circular economy. Through the fund, they are interested in supporting activities that will reduce carbon footprint. The fund provides loans. Organisations who have a particular circular economy focus or are proposing specific projects with a focus on re-use, repair and leasing/sharing models, may also be eligible for a small grant award. Some examples of eligible activities are below, including: • Reducing energy consumption • Improving energy efficiency • Developing or moving to renewable energy sources • Transitioning to sustainable transport options • Scaling local food production and supply • Minimising or re-purposing food waste • Developing circular economy products, services, processes and practices SSO's who have a particular circular economy focus or are proposing specific projects with a focus on re-use, repair and leasing/sharing models, may also be eligible for a small *grant* award.	£10,000 - £1,500,000 Small Grants of up to £20,000 may also be available to loanees
The Architectural Heritage Fund	Heritage Impact Fund	The Heritage Impact Fund offers tailored, flexible loans to charities, social enterprises and community businesses that want to acquire, reuse or redevelop historic or architecturally important buildings in the UK. Projects can focus on buildings that are listed, in a Conservation Area, or of special significance to the local community. They should be financially viable and help support the objectives of the organisation and provide impact on or benefits for the community. Loans can be used for a wide variety of activities including working capital during the construction phase of a project and capital to grow the scope of a business or finance the acquisition of a property.	£25,000 - £500,000

Funder	Fund	Overview	Typical Funding
Third Sector Investment Fund	(Loan Funding)	The Fund can support organisations across all social sectors, focused on improving the economic and social well-being of individuals, particularly those who are vulnerable and disadvantaged.	£150,000 - £3,000,000
Unity Trust Bank	(Loan Funding)	Provides loans for new and existing customers who want to borrow more than £250,000, including a loan specifically tailored to the needs of SCVO members who wish to invest in their building infrastructure. Areas funded: general charitable activities.	£250,000 - £10,000,000
Zero Waste Scotland	SME Loan Fund	The SME Loan provides unsecured, interest free loans from for the installation of energy efficient measures such as lighting and heating upgrades, double glazing and insulation. The loan can be used to pay for: • heating, ventilation and air conditioning upgrades: from single improvements to controls to complete system replacement • lighting systems: fitting and controls • building fabric: including insulation, draft-proofing, double and secondary glazing • water saving: be it installing a grey water system, harvesting rain water or sampling installing water efficient taps • waste reduction: installation of equipment to improve handing and reduce waste at source.	£1,000 - £100,000 SMEs installing eligible equipment, may also receive a cashback grant of up to £20,000