

**Community Asset Transfer Workshop**

**Stirling Enterprise Park, Stirling,**

**Friday 25<sup>th</sup> January 2019 10am – 4pm**

**Hosted by the Community Woodlands Association**

**Supported by Forest Enterprise Scotland**



## Community Asset Transfer Workshop

### Summary

This one-day workshop was aimed at groups developing asset transfer requests under the Forest Enterprise Scotland CATS Scheme. The target audience was groups with reasonably well developed plans, i.e. at the stage of carrying out feasibility / about to submit a request. The workshop was intended to provide an opportunity to talk through their proposals, share ideas and get feedback from both peers and advisors.

The workshop, which was organised by the Community Woodlands Association and supported by Forest Enterprise Scotland, was held at Stirling Enterprise Park, and attracted thirty participants, including representatives from twelve community groups.

### Schedule

- 10.00 Arrival, registration
- 10.30 Welcome and Introduction – Jon Hollingdale (CWA)
- 10.40 The FES Community Asset Transfer Scheme – Rebecca Carr (FES)
- 10.50 The role of the Evaluation Panel – Anna Lawrence
- 11.00 The Scottish Land Fund – Tony Crosbie (HIE)
- 11.10 Objectives
- 12.10 Capacity
- 1.00 Lunch
- 1.45 Community involvement / engagement / support
- 2.30 Finance
- 3.15 Discussion and round-up
- 3.30 Close

### Report

**Jon Hollingdale** (CWA CEO <http://www.communitywoods.org>) welcomed delegates, gave a brief overview of the work of the Community Woodlands Association and outlined the schedule and objectives for the day.

CWA was established in 2003 and has over 160 members all across Scotland. Our role is to support new and existing groups to achieve their aspirations and to represent and promote the sector. We provide advice, assistance and information on all aspects of woodland acquisition, management and development and deliver a range of training and networking events.

The primary objective of the workshop was to provide an opportunity for group representatives to talk through their proposals, share ideas and get feedback from peers and advisors. Jon stressed that the day was not part of the formal assessment or evaluation process - the purpose was to help the participating groups develop more robust applications, rather than helping them to fill in the application forms.

Jon then introduced three speakers who gave brief presentations.

**Rebecca Carr** (FES Community Asset Transfer Manager) gave a brief overview of CATS activity to date.

<http://scotland.forestry.gov.uk/managing/get-involved/community-asset-transfer-scheme>)

Since the scheme opened in January 2017 there have been 12 requests for ownership covering a total of 945ha. Three transfers (Fairy Pools, Carron Valley, Eshiels) have been completed and another three requests (Dronley, Leadburn and Ardura) have been approved, five are awaiting a decision and one refused, pending the outcome of a review.

A significant number of requests have been stimulated by identification for disposal through Forest Enterprise Scotland's New Woodland Investment Programme, where FES notifies community councils and other organisations of the impending sale. Requests may also be "community-led", where the community identifies an asset for acquisition. There has been a fairly even spread around Scotland, mostly from geographically defined communities but with some communities of interest; most have been for relatively small areas of land.

Rebecca's presentation is available at: <https://youtu.be/Kkmkuky9384>

**Anna Lawrence** (a member of the CATS Evaluation Panel) offered ten tips for applicants

1. **The FES process is a good one.** All public bodies are required to engage with community asset transfer, but not all have a dedicated team and an explicit process to help communities engage. Forest Enterprise Scotland has a particularly clear and accessible process for CATS, and the staff on the CATS team (Rebecca Carr and others) are helpful and interactive – so do value and make use of the them.
2. **Role of the panel.** As part of that transparent process, FES has set up an independent panel of seven experts. Our role is to understand your application, look closely at the detail, and make an independent recommendation to FES as to whether to accept your offer or not. Our role is to recommend, not to decide. We are also friendly and enthusiastic! We evaluate using the criteria listed at <https://scotland.forestry.gov.uk/managing/get-involved/community-asset-transfer-scheme/asset-transfer-request-evaluation>:
  - a. Benefits
  - b. Viability
  - c. Community and wider public support
  - d. Impact on management of the National Forest Estate
  - e. Adjusted for scale (in relation to the level of discount requested)

As part of our assessment, one member of the panel will visit the wood that you propose to buy. This visit is not in itself the evaluation; it is an essential opportunity for you to help the panel understand your wood and your proposal. It is important to have a fully open discussion, and to include as many of your group as possible at the site visit, so that any doubts or challenges can be fully discussed rather than reappear as problems after all the work of submitting the application.

3. **Is 'your' forest on the disposals list?** We look at applications in different ways depending on whether FES is already intending to sell the land. If they are, your proposal for community ownership will be compared with its future under potential private

ownership. If they are not, and your proposal is community-led, it will be compared with its current value under public ownership, keeping in mind that as a public asset it may be making money for the public purse.

4. **Why do you want forest land?** Consider whether you really want a forest – and do you really want so much forest? We have looked at applications where the community group seemed to want the land mainly to build a community centre, or to protect a nature reserve – but was seeking to buy a much larger area. If you include woodland or forest in your application, you need to show that you are going to manage it sustainably, and to show that you have plans for who is going to do that.
5. **Do you have support from the community and other stakeholders?** The legislation behind CATS does not prescribe rules for demonstrating community support in the way that the National Forest Land Scheme required a community ballot. Some flexibility is expected, partly because more of the applications are coming from urban areas, or areas with larger populations. However, you need to show you have given people in your community, and others who may be affected, the chance to comment on your plans, and demonstrate that they are broadly supportive. Don't forget the neighbours: one application particularly impressed us because it included a letter of support signed by all the neighbouring landowners.
6. **Information, engagement and support are different things.** It is not enough to show that you have leafleted all the households in your area. How have they responded? And showing support is one thing, showing involvement in generating ideas for *managing* and *using* the woodland is another – and also important. So evidence any workshops and public meetings held that show your engagement with the wider community. A ballots is one way to demonstrate community support for your plans.
7. **Governance.** The Panel does not usually spend time assessing the community organisation's eligibility – Rebecca will already have done that before it reaches us – but we will take into account experience and track record, as well as your plans for making decisions, managing finances, and taking action in the woodland. Sometimes if you have very ambitious plans, it can be reassuring to see that you have broken them down into stages, and that in the first instance you are aiming to achieve something more easily attainable.
8. **Price.** Cost of your forest is a big issue! It is affected by both the formal valuation, and the discount that you may negotiate. The price of the forest is usually set by the District Valuer. This is an objective way of establishing the price, which will be affected by current land and timber prices, and recent comparable sales. Nevertheless, the price is often surprising to community groups – it can be less than expected, or more. The 'book value' is not a very useful guide, and it is not a great idea to demand that FES shares this with you and then get annoyed with them when the (independent) valuation is quite different.
9. **Value, benefits and discount.**
  - a) It is not the Panel's job to make recommendations to FES on whether to accept the price you offer, but we do look carefully at the benefits you propose to provide, and this influences the FES decision.
  - b) The Community Empowerment Act allows you to request a discount on the price, based on the value of the additional benefits that you will deliver when the woodland is

in community ownership. If you want to request a discount, you need to provide a plausible and objective basis for the discount. First, you have to show that you will provide benefits that the alternative owners (private if on the disposals list, FES if not) will not or cannot. Then you have to show how much those benefits are worth, in financial terms, so that they can be translated into a discount. What does not work is simply to say 'community ownership is better and we will just try our luck, by asking for a 10% discount'.

- c) The discount, if agreed, is for an actual value, not a percentage of the price. Successfully argued examples include improvements to woodland condition based on the input of voluntary labour; and conservation of a rare moth, based on equivalent payments made to farmers who conserve a rare butterfly elsewhere.
- d) The discount is part of your legal contract, if you are successful. When you buy the forest, you will be required to sign a document committing to delivery of the benefits, or to repaying the value of the discount if you are unable to deliver the benefits you have promised. So it pays to be realistic!

10. **The CATS website is a resource.** The full paperwork of all past and current applications are on the website, and you can see how successful applications have put together information.

**Tony Crosbie** (Scottish Land Fund Operations Manager, Highlands and Islands Enterprise) gave an overview of the Scottish Land Fund (<https://www.tnlcommunityfund.org.uk/funding/programmes/scottish-land-fund>).

The Scottish Land Fund (SLF) supports rural and urban communities to become more resilient and sustainable through the ownership and management of land and land assets. It is funded by the Scottish Government and delivered in partnership by The National Lottery Community Fund (formerly the Big Lottery Fund) and Highlands and Islands Enterprise (HIE). The fund has £10M per year, covers both urban and rural Scotland, and can provide limited revenue support alongside acquisition costs.

There is a two stage process: stage 1 offers feasibility funding (pre-acquisition) of £2,500 - £30,000 and is open to community organisations with a written governing document. Stage two provides acquisition funding of up to £1M with a maximum intervention rate of 95% (average is 80%) and is open to Companies Limited by Guarantee, SCIOs and Community Benefit Societies that are community-led, community-controlled and defined by a *geographical area* i.e. not communities of interest.

110 communities have been supported to acquire assets to date, 51 in Highlands and Islands, 59 in the rest of Scotland, and there are currently around 250 projects in various stages of development. Woodlands have provided a significant proportion of projects, with 15 acquisitions and 28 projects in the pipeline - a mixture of FES and privately owned woods.

To start a SLF application, contact the National Lottery Community Fund to discuss your idea at [advicescotland@biglotteryfund.org.uk](mailto:advicescotland@biglotteryfund.org.uk) or on 0300 123 7110. If your project is eligible you will be assigned an SLF adviser who will help you develop your idea and get ready to submit your application. SLF has funding until the end of March 2021 and no funds can be requested for beyond that date.

Tony's presentation is available at <https://youtu.be/WrrbyP5I-bo>

## **Group work on key aspects of project development**

Participants were allocated to one of five tables to ensure that delegates from the same group were on separate tables. After lunch the tables were “re-shuffled” so that participants had the opportunity to familiarise themselves with, and discuss, a different set of projects. One delegate per table was identified as a facilitator to ensure that groups stayed broadly on task and that all participants had the opportunity to present their ideas.

The main part of the day was spent working in these small groups, discussing 4 key aspects of project development:

- Objectives
- Capacity
- Community
- Finance

For each element of the discussion, a single slide was kept on-screen: this contained a series of questions to prompt and stimulate discussion (but was not intended to be an exhaustive list of questions that might be asked).

### **Objectives**

- Why?
- What are you hoping to achieve?
- Who will benefit and how?
- Phasing? What order?
- Is this an appropriate piece of land (type, scale)?
- Why community ownership?

There is a general recognition (by Scottish Government and other public bodies) that community ownership and management of assets contributes to community development and empowerment and delivers a range of public benefits, however individual community groups need to be able to effectively articulate the specific objectives and public benefits of their asset transfer: to FES, to funders and to their communities.

Where a group has multiple development projects it will need to show how these are prioritised: which will be delivered in the short term and which are more aspirational. The community’s plans should be commensurate with the land which is to be bought or leased, and if the land has not been earmarked for disposal then it should be clear why the community’s objectives could not be delivered in partnership with FES.

### **Capacity**

- Do you know what you’re getting in to?
- Decision-making structure?
- Who will manage the forest / other projects?
- Do you know where to get external advice?
- Partnerships?
- Relationship with private sector?
- Do you understand the regulatory processes and constraints?

Managing a forest is a complicated and long-term business, particularly when the community wants to deliver a wide range of social, economic and environmental benefits. No-one expects communities to do it all themselves, but it's critical that potential community woodland owners / managers understand what will be required, know what they can deliver in-house and have thought through how, and from whom, they will buy-in the specialist skills they need. A great deal of help is available, from CWA and other community intermediaries, from statutory bodies and funders, and from other community woodland groups.

### **Community Support**

- How will you evidence community support for your proposals?
- How has the wider community been involved in the development of the project?
- Is there wider demand for the outputs of specific projects (woodfuel, housing, health, etc.)?
- How will you ensure on-going support and involvement?

It's usual for community projects to be led by a relatively small group of committed individuals, but it is essential that the wider community has opportunities for involvement at all stages of project development and implementation. There are many ways to engage with the wider community and it's usually best to employ a variety of methods to ensure as many people as possible are reached. Groups should also be able to show that they have attempted to address any significant concerns about specific aspects of their project.

### **Finance**

- How much will it cost?
  - Acquisition
  - Ongoing management
  - Additional projects
- Where will the money come from?
- How will you manage cashflow?
- Business development: market info? displacement?
- How interdependent are your various projects?
- Discounts: how will you value public benefits?

Financial sustainability is essential for the long-term success of community ownership, and groups need to demonstrate that they have a good understanding of the costs of their proposals and the anticipated income sources. Where communities have several active projects, they need to be clear about their priorities and consider how this will affect their request (e.g. ability to raise funding / capacity in the community).

All asset transfer applications should have a business plan; even for small projects it will be useful in setting out proposals and explaining how initial and ongoing project costs will be funded. For significant land purchases, plans should cover the process of acquisition and financial management, setting out budgets and funding sources, for at least the first three years, with an outline of costs and income provided for longer term projects.

**Jon Hollingdale** rounded up the event, thanking Forest Enterprise Scotland for their support of the day and all the delegates for their enthusiastic participation. He identified a few take home messages:

- All groups should seek to demonstrate that their plans have been well thought through, are achievable given the resources available, are realistically costed and have broad-based community support.
- With most aspects of project development, there are rarely absolutely right or wrong answers; the important thing is to demonstrate that you have considered your options and can articulate your reasons for your chosen course of action.
- The level of evidence required from a community group is proportionate to the scale of the project.
- The paperwork from past and current requests is available on the FES website and is a valuable resource.
- There is a great deal of support available, from CWA, FES, other bodies and other community groups – never be afraid to ask for help!

## **Feedback**

Informal feedback from participants:

*Thanks for a useful and informative day*

*Thanks for a really informative and enjoyable day last week. It really helps to hear about other people's projects, and to hear directly from, and indeed talk things through with FES and HIE*

*Thank you for a really useful seminar*

*Many thanks for organising such a meaningful day*

*Thanks for putting on such an excellent and useful event.*

*Great workshop*



## List of participants and groups

Richard Smith	Ardross Community Group
Dinah McDonald	Benmore Community Forest
Gordon Rothero	Benmore Community Forest
Helen Docherty	Benmore Community Forest
Peter O'Hara	Borders Forest Trust
Anna Craigen	Borders Forest Trust
Sheila Winstone	Callander Community Development Trust
Mark Griffiths	Callander Community Development Trust
Anna Lawrence	CATS Evaluation Panel
Linda Battison	Coglin Community Forest
Seymour Adams	Coglin Community Forest
Jon Hollingdale	Community Woodlands Association
Chris Marsh	Community Woodlands Association
Rebecca Carr	Forest Enterprise Scotland
Tom Cooper	Glengarry Community Woodlands
Tony Crosbie	Highlands and Islands Enterprise
Mandy Holloway	Kilsture Forest Community Group
Heather Jameson	Kilsture Forest Community Group
Cristian Pizarro	Laggan Forest Trust
Colin Morgan	Laggan Forest Trust
Matt Wynne	Lochgoil Trust
Irene McAllister	Lochgoil Trust
Miles Goodman	Mount Blair Community Development Trust
Geoffrey Thomson	Mount Blair Community Development Trust
Mike Benson	The Scottish Crannog Centre
Ben Williams	Ullapool Community Trust
Brendan O'Hanrahan	Ullapool Community Trust
Tim Gauntlett	UCT / Lochbroom Community Renewables
Elsbeth Coutts	West Stormont Woodland Group
Bob Talbot	West Stormont Woodland Group