



## **Briefing Note**

### **Scottish Government's Investing in Communities Fund**

#### **1 Introduction**

**1.1** This Briefing Note provides GWSF members with an update on the Scottish Government's Investing in Communities Fund (ICF).

**1.2** The Briefing summarizes the background to the ICF. It also: outlines the breakdown of the share of the awards allocated to the overall housing sector; and to GWSF members specifically.

**1.3** Crucially, the Briefing also details the number of GWSF members who were unsuccessful in their applications to the Fund and considers the implications of this for the CCHA sector moving forward.

#### **2 Background**

**2.1** Community-led regeneration has long been at the core of the Scottish Government's regeneration strategy<sup>1</sup>. The regeneration strategy recognises the need to target funding to tackle area inequality and to involve and empower communities to take action themselves.

**2.2** The Investing in Communities Fund<sup>2</sup> replaced five previous Scottish Government community funds including the People and Communities Fund. The overall aim of the ICF is to 'empower communities [by] enabling them to tackle poverty, inequality and rural disadvantage on their own terms, in turn supporting inclusive growth.' In addition, the Fund 'promotes a more responsive, community-led, place-based approach.'

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<sup>1</sup> Achieving a Sustainable Future: Regeneration Strategy, The Scottish Government, 2011  
<http://www.gov.scot/Publications/2011/12/09110320/11>

<sup>2</sup> <https://www.gov.scot/policies/community-empowerment/empowering-communities-fund/#ICF>

**2.3** The ICF opened for applications on 7<sup>th</sup> May 2019, with a funding pot of £11.5 million, and grants of up to £250,000 available over three consecutive years (up to 31<sup>st</sup> March 2022). Eligible applicants included: community anchor organisations; community councils; third sector organisations; and community social enterprises.

### **3 Analysis**

**3.1** In Round 1 (2019/20) of the ICF there were 250 successful applicants. Only 16 of these were from housing associations, with 12 of these being GWSF members. The other 234 successful applicants were other types of organisations.

**3.2** In percentage terms, this means that only 6.4% of the ICF went to the housing sector overall, and only 4.8% to CCHAs.

**3.3** We know from the responses we received to our survey, that 31 Forum members (almost half of our membership) applied to the ICF, and as stated above only 12 were successful.

**3.4** We also know that a third of the unsuccessful bids were for a continuation of funding for existing projects which had previously received funding under the Scottish Government's Aspiring Communities/ESF funding stream. Some members in this cohort have indicated that these projects might not be able to continue if the association is unable to source an alternative source of funding to support them.

**3.5** Unfortunately, at this point, the Scottish Government has not published the breakdown of funding allocated to each successful applicant; and therefore, we are unable to calculate the 'share of the pot' received by both the housing sector overall, and by GWSF members.

**3.6 Even** in the unlikely scenario that each Forum member received the maximum grant of £250,000 this would total £3m, less than the figure of £3.1m received by GWSF members under the People and Communities Fund in 2016/17. Furthermore, 30 GWSF members were successful under that round of funding whereas only 12 have been under the ICF.

### **4 Implications for future funding**

**4.1** On the list of objectives for the ICF, on the Scottish Government's website, the first of these states that the Fund aims to 'build community capacity and strengthen community anchor organisations.' It is all the more puzzling and disappointing then that CCHAs, a well-established network of community anchor bodies, who in many

cases have been carrying out this crucial work in local communities for over 40 years, have largely been overlooked as recipients of the ICF.

**4.2** CCHAs have long-demonstrated all of the characteristics of key community anchors, including being able to demonstrate longevity and having a track record of delivering change. CCHAs work with and support local people and local groups to deliver a whole range of services beyond their housing role. It can sometimes seem that on the one hand, the Scottish Government recognises the importance of CCHAs' community anchor role and, on the other, it does very little in real terms to support it.

**4.3** CCHAs can help deliver a range of Scottish Government policy objectives from the 'bottom up', and in doing so help to mitigate some of the impacts of poverty and inequality for people living at the sharp end. But as community anchors they need resources to continue doing so, and to do them well. Our members are already 'minding the gap' in many instances and improving local services in their communities.

**4.4** The fact that ICF funding (like PCF funding before it) is given *directly* to community anchor organisations rather than being funnelled through an intermediary body (such as a local authority) is a vital factor in supporting regeneration activity in communities. Obviously, we want to see this *direct* funding stream from national government continued and increased.

**4.5** *Nonetheless*, whichever way you look at it, funding for CCHAs' social regeneration activities has reduced, in real terms, since the halcyon days of ring-fenced, wider-role funding. This reduction continued under the People and Communities Fund, and is now evident in the allocation of funding under the ICF.

**4.6** We feel that we must raise this issue with the Scottish Government and to this end we will be writing to Aileen Campbell MSP, Cabinet Secretary for Communities and Local Government to convey members' concerns.