



DEVELOPMENT
TRUSTS
ASSOCIATION

transforming communities for good

Community Enterprise in Deprived Communities – Opportunities and Challenges

Jeff Scales

*The Development Trusts
Association*

About the DTA

- ▶ National network of multi-purpose community enterprises
- ▶ 500 members (44 in the northwest) – combined income of £272m, £590m in community ownership, 6700 staff and 19,400 volunteers
- ▶ DTA Mission: A Development Trust in every community
- ▶ Provide childcare, make benches, manage office space, teach ICT, support small businesses, cook healthy food, run cafés, recycle paper, support other community organisations, employ people with special needs, grow stuff, manage community centres, run cinemas, rent out houses, undertake youth work, provide home help schemes for older people, run community transport schemes, lobby Council's for improvements on behalf of local people, undertake consultancy work, run schools for excluded young people, manage parks and play areas, have festivals & fun days & Dickensian Christmas Fairs, run credit unions, support neighbourhood management and other local initiatives, refurbish derelict buildings, set up social enterprises, support people to find work, homework clubs, DJ Workshops, five a side football, manage Healthy Living Centres, support local artists, provide wedding and conference facilities, create web-sites, regenerate market town centres, teaching basic skills English and Math, lend money, employ local people, repairing and selling bicycles, running play schemes, sports days, manage sports facilities, provide a refuge for women, publish community newsletters, teach construction and catering skills, support community radio, run community arts projects, manage renewable energy schemes, build green homes, manage grant funding, managing local markets (market stalls), run community cohesion projects, manage street ranger schemes, install CCTV, manage shops, benefit advice and debt counselling, promote tourism, manage heritage sites, undertake social audits, run pubs and bars, building and managing a BMX track, run Archaeology schools, provide sets for film and television productions, manage allotments, run Tourist Information Centres, run Abattoirs, provide ferry services, develop World War 2 bunkers and prisoner of war camps.....

Public Sector Service Delivery

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none">▶ Local Integrated Services▶ Right to Bid▶ GP Commissioning▶ LAs doing less/commissioning more▶ Added Value▶ Social Enterprise Investment Bank & Social Impact Bonds▶ Consortia	<ul style="list-style-type: none">▶ Prime contracting▶ Bigger contracts▶ Payment by results▶ Public sector - Mutuals▶ SROI▶ Sector 'should not be state dependent'▶ 'Peripheral' services cut▶ Consortia

Asset Development

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none">▶ Potential 'Right to Buy'▶ LAs looking at reducing revenue linked to property▶ Private property market depressed (creating transfer opportunities)▶ Community Hubs▶ Cash cows▶ Regeneration, enterprise development, community empowerment & involvement	<ul style="list-style-type: none">▶ Right to Buy does not mean right to price reduction▶ Transferring liabilities▶ Restrictive and short leases▶ Lack of investment that isn't debt finance▶ Managed workspace in areas of market failure

Direct Selling

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none">▶ Free from grant/ state dependency▶ Diversity of income streams▶ Stronger and sustainable business models▶ Business Acquisition▶ Supports an enterprising culture	<ul style="list-style-type: none">▶ Trading in areas of market failure▶ Cash flowing business development prior to profitability▶ Sweat equity▶ Investment

Funding and Investment

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none">▶ Transition Fund▶ Communities First Fund▶ A VCS lottery▶ Big Society Bank▶ Community shares	<ul style="list-style-type: none">▶ Little money for developing new activities▶ No Area based Funding▶ Government investment bent towards new activity or private sector▶ Lots of debt finance – scarcity of grant and equity▶ Cuts to infrastructure support organisations

Be Enterprising!

- ▶ Strong financial management
- ▶ Having the confidence to invest in an idea
- ▶ Take Business Planning seriously
- ▶ Strong risk management
- ▶ Think about customers (not just beneficiaries)
- ▶ Selling your service and organisation
- ▶ Skills, knowledge, experience & **ATTITUDE (board and staff)**

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