

From: Douglas Westwater [REDACTED]
Sent: 23 November 2018 18:38
To: Mairi Eddie; Paul Higson
Subject: RE: Mill Comment

Douglas Westwater, CEO Community Enterprise said

I have run Community Enterprise for over 14 years and have been involved in community asset transfer during that time and for some years before. Securing capital and revenue funding is usually competitive and has always been challenging, but over the last three years, we have worked with community organisations to secure around £20m in capital and revenue funding. Though there are substantial funding cuts across the third sector, with careful planning, strong outcomes and governance, (as I see here at the Mill of Benholm), I see no reason why the group cannot secure this investment, particularly if they are content to phase the project. There are of course no guarantees of capital and revenue investment, but some years of experience gives an indication that this is not an unreasonable funding strategy for the local trust.

A realistic social enterprise strategy has been set out in the business plan and there is a clear way to generate unrestricted income. However to ensure significant social impact locally we have built in a budget line for revenue funding. Though 100% financial sustainability is possible to show, it is highly likely that such a group will want to apply for and secure funding to run particular programmes. The standard sustainability plan for most organisations (including many in the private and public sector) is a mix of grants, trading, contracts and fundraising. We undertook a piece of research for the Big Lottery into 10 years of investment into community assets including a detailed financial review of 50 groups operating community controlled buildings and sites. 100% of them had grants in their mix of funding