



# Community-Led Housing in Scotland: A RouteMap

Guide for communities

Key stages and issues to consider  
for undertaking a community-led  
project

September 2022

# What is community-led housing?

Community-led housing is about local people playing a **leading and fundamental** role in solving their specific housing problems, creating long-term, affordable homes and strong, resilient communities in ways that are difficult to achieve through mainstream housing alone.

It is a growing movement encompassing a range of approaches, including community groups, development trusts, landowners, cooperatives, co-housing, and can involve new build, self-build, regeneration or the use of existing buildings.

Core principles of community-led housing are:

- Ongoing community engagement occurs throughout the development process
- The community does not have to initiate and manage the development, or build the house themselves, although some do
- The local community group or organisation owns, manages or stewards the homes in a way that suits them
- The wider benefits of the project to the local area are clearly defined

A community-led approach helps bring the public into the development process, and encourages a more participatory and democratic model for providing homes. It therefore looks holistically at what's needed. It:

- Diversifies house building types and tenure options, which supports people of all ages remain or move into communities
- Provides additional housing stock, protected for communities in perpetuity
- Helps jobs and services to remain long-term
- Supports diversified local circular and wellbeing economies
- Embodies a just transition through use of local materials and trades, proximity to services, and building thriving communities



Shieldaig: 15 affordable homes with 3 different tenures

Cover: Ardgeal, in the Cairngorms National Park, a CHT project with the Kincaig community in 2012

# How and where to start

Taking on a community-led housing project can feel overwhelming and complicated, particularly for communities with limited time and resources.

This RouteMap is intended to help demystify and map out the main stages of the process, to increase understanding, raise confidence, and ultimately support more communities to undertake projects of their own.

Seeing the whole process laid out, of what happens when, with key questions and issues communities should consider, can help visualise a project from beginning to end.

We have simplified the stages, and recognise that in reality projects are complex and ultimately non-linear, but intend to give an overview nonetheless.

In Scotland, community-led housing is supported by the Scottish Government through the [Rural and Islands Housing Fund](#), which was set up in 2016 and enables community groups to access grants to part-fund community-led housing projects.

Stage 1  
ENQUIRY

Stage 2  
FEASIBILITY

Stage 3  
DEVELOPMENT

Stage 4  
CONSTRUCTION

Stage 5  
HOUSING MANAGEMENT



Rent To Buy homes in Balmacara, alongside a new shinty pitch for Kinlochshiel Shinty Club

# Stage 1: ENQUIRY



- Establish clear aspirations and requirements
- Information and advice
- Assess need for affordable housing and complementary opportunities
- Consider likely funding solutions
- Determine capacity and support/advice needed
- Community and partner engagement

Watch the case study from Balmaha in Loch Lomond & The Trossachs National Park for more insight



# Stage 1: Key issues and questions

## What are the reasons for beginning your project?

Have a clear idea as to why you wish to take on a project in your area, with short to long term aspirations mapped out.

## How do we start?

The next part is fact finding. Have a look at what other communities have done for inspiration of what may be possible.

The community-led movement is gathering pace across Scotland. Have a look at [www.chtrust.co.uk/clh.html](http://www.chtrust.co.uk/clh.html) to find out more about it.

Did you know that CHT can come along and meet your group? Get in touch with us to arrange a visit, see page 19.

## Do we just need housing or are there other facilities and services that we can improve locally?

It is always better to look at the assets in your whole community and identify any gaps. Joint projects working with other partners can bring in new funding streams and spread the risk. It also helps to share resources.

Have a look at Staffin, a project which included a mix of affordable homes, a community-owned NHS health centre, and business and workshop space:

[www.chtrust.co.uk/case-studies1.html#staffin](http://www.chtrust.co.uk/case-studies1.html#staffin)



## What is our local housing strategy?

Identifying your housing strategy will be unique to each location. If you need to keep your school going, you might want to prioritise family housing. Similarly, if you need to provide accessible housing for older residents, this may be your focus. Or even housing for local employees.

Maybe repopulating the community is at the top of your list?

## How do we identify suitable partners for development?

The first port of call is to gain support from your Local Authority for the project as they will be integral to securing future grant funding. Then, you need to think about what your development and housing strategy aims to achieve, and identify suitable partners such as service providers, landowners, or businesses.

## How do we engage with the community?

You will already have networks in place, including regular meetings, events and possibly a website and social media presence. Regular updates through these channels are important. Remember, don't raise expectations too high at an early stage. Always engage with the community at key project

# Stage 1: ENQUIRY

milestones and include your delivery partners and stakeholders when appropriate.

## What about the money?

Identifying potential funding sources is important to do at an early stage. However, these do frequently change so it is worth spending time keeping up to date on what is available. Also contact commercial lenders to find out if they will, in principle, support your organisation's future ambitions.

Browse potential funding sources at:  
[www.chtrust.co.uk/funding-assistance.html](http://www.chtrust.co.uk/funding-assistance.html)

## How do properties get allocated?

The allocation of properties mainly depends on who you involve as the Housing Provider(s). Community-led allocations policies can be tailored to the needs of the community. Local Authorities and Registered Social Landlords (RSLs) / Housing Associations

must follow the Housing (Scotland) Act 2014 and relevant legislation.

## How are properties sold without becoming second/holiday homes?

Have a look at information on the Rural Housing Burden. CHT established and has been using this legal title condition for almost two decades. A discount percentage protects affordability of properties in perpetuity. Homes or plots must be a main residence and are sold back to CHT to be re-allocated, giving control over all future sales.

Rural Housing Bodies may apply the Rural Housing Burden, for more info see:  
[www.chtrust.co.uk/ruralhousingburden1.html](http://www.chtrust.co.uk/ruralhousingburden1.html)

## What role does our volunteer board need to take on?

The board is usually at arm's length from the day-to-day running of a project, but they do make and record key decisions. Having a dedicated person, a Development Officer or sub-

group of the board works well to co-ordinate projects.

## How long does it take?

Projects can move very quickly to meet funding deadlines, or slow down, to negotiate with the contractor or to gain planning consent. Project timescales vary as each project is unique.

## What benefits are there to working with an experienced organisation to help facilitate and deliver the project?

Whilst many communities have a range of assets that they own and manage, many have not embarked on a housing project before. Working with an organisation which does this day-to-day can help improve the deliverability of projects, increase your capacity and secure strong partnerships. It also reduces the risks of the project failing and it can boost the likelihood of securing funding.

See Services & Support on page 19.

- **Housing and Business Needs Survey**
- **Land audit for availability of land (no land available – call for sites)**
- **Feasibility/development funding**
- **Technical appraisal of site and utilities**
- **Business Plan, including initial Allocation Policy and tenure mix**
- **Community input and partner engagement**

Watch the case study from Staffin in Skye to understand feasibility challenges in more detail



# Stage 2: FEASIBILITY

## How do you identify the demand for affordable housing and other local services?

You may already have a Community Plan which contains lots of valuable information. Or in some cases, the demand on the local Housing Register is clear. Sometimes, the best way to identify the demand is to undertake an independent, in-depth survey of the community, businesses and identify people who wish to relocate. This step is vital to make a strong case for your project.

CHT have conducted 100 Housing Needs Surveys on behalf of communities to help provide detailed evidence of demand.

## How do we know what land or buildings are available?

Sometimes an opportunity presents itself, such as an asset coming up for sale. Other times, it is not so obvious, and you need to carry out a Land Audit

to find out what land might be available and who owns it. A Land Audit can quickly identify constraints, although some may not be fully identified until the end of a full feasibility study has been carried out.

CHT carry out Land Audits on behalf of communities; see page 19.

## How do I know if the land is suitable to build on?

The consultants will prepare detailed reports providing information on the ground conditions for building and identify any constraints. They may recommend types of foundations or drainage solutions. This evidence helps the contractor later.

## How do I assess a current building?

It depends on the condition of the building but bringing in experts at an early stage can help you identify problems and save money overall.

Sometimes a Building Conditions Survey is needed along with specific reports. Bringing empty homes back into use can be worthwhile to save resources and with the right funding package and expertise, they can become an asset once more.

## How do you begin a feasibility study?

A study may be carried out on a building or on one or more areas of land. You need to start with a clear brief for the work and then engage the necessary consultants.

## How do I get the Local Authority on board with the proposals?

Contact your local housing department explaining your initial proposals, or work with an organisation to do this on your behalf.

## How do we engage with the community project partners and what information should be shared?



# Stage 2: Key issues and questions

Setting up a steering group is a good idea. This can include representatives from the key organisations and the community. Everyone feels involved and part of the decision-making process. Community consultations and open days are useful to share initial plans and gain feedback.

## How do we raise funding to cover the feasibility stage?

There are several funding sources that cover these costs, although some initial work has to be carried out to develop your project idea before you can make applications.

CHT can help with seeking funding for and undertaking feasibility studies.

## Do we need a Business Plan?

If making an application to the Scottish Land Fund, then a Business Plan is essential. It is useful regardless, as it helps focus on the project deliverables, risks, and financial commitments.

## How and when do we buy the land or building?

You need to be confident that the feasibility study and business planning has resulted in a viable proposal. You also need to have the funding in place to cover the acquisition costs, legal and other related fees. Your board will need to approve the purchase and any other governance related decisions. You will need to engage a solicitor.

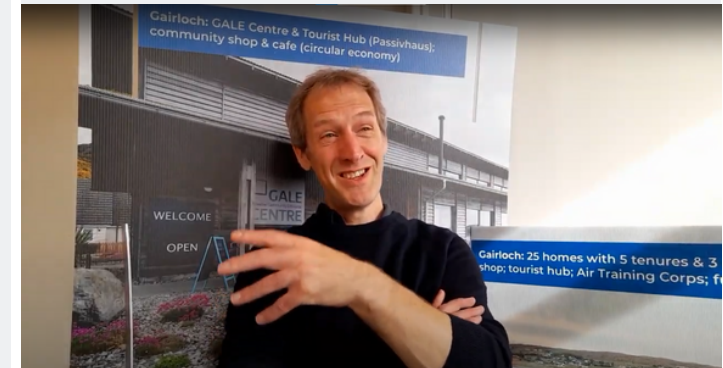
## What are the benefits of working with an organisation to help complete a feasibility study for the project?

External support has multiple advantages:

- Help to navigate land & purchase negotiations
- Arms-length community engagement
- Existing partnerships with Scottish Government and Local Authorities
- A team at your disposal to help reduce the workload at a local level
- Expertise in securing funding,

legal transactions. financial planning, and the construction industry

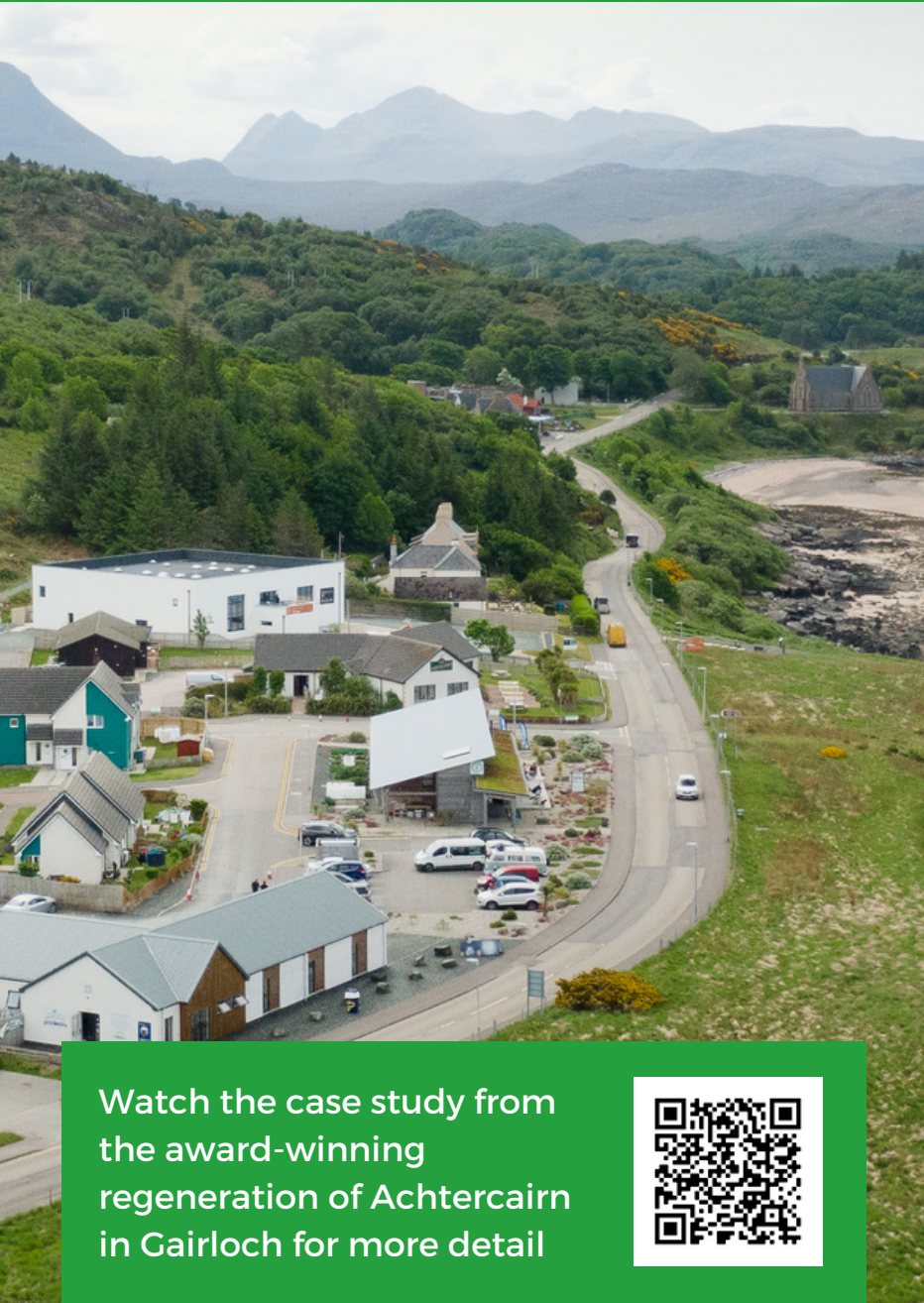
- Experienced in preventing problems and dealing with any issues that arise



“ Do your work at the feasibility stage - make sure your building will fit on the site, make sure the ground conditions will work, make sure you can get drainage, make sure there are adequate services - because there are the things that will trip you up further down. Do as much as you can at the feasibility stage to make sure the rest of the stages are as easy as possible.

Colin Henderson, Principal Architect at the Highland Council

# Stage 3: PROJECT DEVELOPMENT



- Secure funding for land purchase and legal fees
- Land acquisition (secure consents to develop land)
- Consultants and Development Agent appointed
- Agree procurement route to tender for project
- Secure funding package for consents and construction project
- Apply for planning and pre-construction consents

Watch the case study from the award-winning regeneration of Achtercairn in Gairloch for more detail



# Stage 3: Key issues and questions

## How do we secure funding to buy the land?

There are several funding routes to explore but a popular option is checking if your project is eligible for the Scottish Land Fund. Other options like the Community Asset Transfer Scheme (CATS) offer the chance to purchase assets and land from public bodies.

Read more on the [Scottish Land Fund](#), [CAT Scheme](#) and [Rural & Islands Housing Fund](#)

## What partners might be able to help develop the project?

Agreeing key partners at this stage means your project can progress as a collaborative effort, spreading risk, and providing for example additional housing tenures (e.g. through Local Authorities or Registered Social Landlords) or community facilities.

## Can I make my project energy efficient?

Reducing energy consumption and CO2 emission are higher priorities than ever. Getting the balance right between the installation costs, long-term benefits and ease of use is key. Location is also a factor for future maintenance and repairs. Funding may be available to help with installation costs.

Check these projects for inspiration of how a community-led development can be climate friendly:  
[www.chtrust.co.uk/climate-crisis.html](http://www.chtrust.co.uk/climate-crisis.html)

Greener Homes Scheme, Fodderty



## What is a Development Agent appointed to do?

A Development Agent represents the interests of their clients. The agent is there throughout the pre-development, construction and defects stages to co-ordinate the project. CHT perform this role on behalf of community groups, Local Authorities, Registered Social Landlords and landowners.

## Obtaining Planning Permission and Building Warrant

This work usually involves a team of consultants, your Development Agent and sometimes a contractor to produce a set of drawings for the project. There are several stages to this work, and it is key to get the input of the right people at the right time to help get the best out of your project.



# Stage 3: PROJECT DEVELOPMENT

## What other permissions are needed?

Many projects also require consents to construct a road or connect to the mains water and waste systems. Other detailed assessments such as a Flood Risk Assessment may be needed. The requirements for these are set out by the various statutory agencies.

## How do we find a builder to take on our project?

In many cases, you will be familiar with the companies that operate in your area. The project will be tendered to an agreed list of contractors. The tenders are then fully assessed by your Employers Agent, who will recommend the preferred bidder. The Employers Agent will negotiate any tender amendments required before the contractor is appointed and contract accepted.

## How do we pay for the construction costs?

The construction costs are usually paid for with a mix of grants and loans. The funding package varies per project, but all funding must be in place before a building contract is awarded.

## What kind of contract is best for us?

CHT will advise on the contract options, along with the Employer's Agent, at an early stage in your project. The contract could be a

- 'Design & Build'
- 'novated Design & Build' (where Planning consent is obtained before a contractor is tendered).
- 'Traditional Contract'

The decision will be based on a number of factors, such as current economic climate, balance of risk, status of existing site information and funding mechanisms.



“ For the five homes that CHT built, the idea was to procure it involving local contractors as much as possible. We normally go through this process for all of our construction projects and luckily a local firm were appointed after a successful tender exercise, so they went on to build the five homes.

Morven Taylor, Communities Officer at the Communities Housing Trust speaking about some of the homes that are part of the Achtercairn regeneration project in Gairloch

# Stage 4: CONSTRUCTION

- Appoint contractor
- Start building
- Continue liaison with contractor and community
- Manage funding package drawdowns
- Handover of properties
- Community Open Day – celebrate!
- End of defects period (12 months after handover)

Watch the case study from Ardgeal in the Cairngorms National Park for construction aspects to consider



# Stage 4: CONSTRUCTION

## How do we appoint a contractor?

Tenders from contractors will be thoroughly assessed by the Employer's Agent and your Development Agent will guide you on the outcome. You may appoint one contractor as preferred bidder, and then negotiate further with them on the final price, before making a formal appointment.

## The site start!

An exciting milestone where the works can start. Keep your board, funders and community informed of key milestones like this and don't forget to share on social media and local news outlets. Take plenty of pictures along the way!

## What happens during the build process?

Your Development Agent will work on your behalf at every step, liaising with the contractor and consultant team to ensure everything runs smoothly and

any problems are quickly resolved. They will also provide you with a formal monthly report on progress. There will be formal monthly site meetings to attend. You can choose to be involved as much or as little as you like.

## How do we keep everyone up to date?

Key information will be put on a large sign displayed on site. Note people's interest in the homes and keep everyone informed of the expected timescales.

## Who pays for what, and when?

The Employer's Agent will inspect the site works at key stages and then authorise the contractor's invoices. You will then draw down your funding and pay the contractor directly.

## What happens at the end of the build?

The contractor will arrange a formal handover of the project to the

community. The Development Agent will facilitate this with all key personnel and then take official handover.

## Celebrating success!

After all of the effort and hard work, it is time to reflect on what you have achieved. Having open days are a great opportunity to invite the whole community along for a look around.



Open Day at renovation of Achiltibule former schoolhouse

## What happens after handover?

For a period of 12 months after handover, the contractor remains liable for rectifying any defects that arise. The timescales for these to be addressed are in the building contract. The Development Agent takes care of this on your behalf and works with the contractor to make repairs.

# Stage 5: HOUSING MANAGEMENT

- Advertise properties
- Allocate properties
- Legal agreements to rent or buy
- Residents move into new homes
- Ongoing housing management: allocations, rent collection and sales
- Ongoing housing maintenance: repairs, long-term maintenance and annual servicing



Watch the case study from  
Applecross for more insight  
on housing management  
considerations



# Stage 5: HOUSING MANAGEMENT

## How and when are the properties allocated?

The allocations are usually carried out a few months before handover. Community-led housing is often allocated by a third party based on an agreed policy for local priorities – this takes away any difficult decisions from community organisations directly involved, and means the properties can be allocated independently.

If homes in a community-led development are owned by a Local Authority or Registered Social Landlord, their housing officers allocate the homes from applicants on their lists.

## Who gets priority and how do you decide?

Community-led housing usually takes into account individual circumstances as well as wider community benefits too. An allocation policy will be implemented based on community-agreed priorities.

CHT can work with you to develop and then carry out an agreed allocation policy

## What legal info do we need to consider?

Getting the right tenancy and sale agreement is vital. Take advice from your letting agent or solicitor where appropriate. If you're letting houses, you must be a Registered Private Landlord with the Local Authority.

Letting agents must be registered and qualified to manage homes

## Who takes the lead in helping the new tenants and owners?

This can be done by you or a letting agent as part of any service agreement. You might consider appointing a letting agent who can manage the properties on your behalf. They can usually help to arrange heating demonstrations and familiarisation visits with the contractors to help everyone settle in more quickly.

## What does housing management involve?

The management aspect of a tenancy includes dealing with rent money, arrears and dealing with tenant enquiries.

You can either let the homes directly to tenants or employ a Letting Agent to do this on your behalf. Either way, you will need to be registered as a Landlord with the local authority. A Letting Agent should follow the code of practice set out by the Scottish Government.

## What does housing maintenance involve?

Houses must be maintained to the Repairing Standard, set by the Scottish Government. You may decide to undertake the property maintenance locally, or include this in any service agreement with a Letting Agent. Homes must meet the safety standards and have periodic checks carried out. For example, gas safety, legionella testing, electrical test certification, and up to date Energy Performance Certificate.



# Stage 5: Key issues and questions

## What about the future management of the homes?

Once the first allocation is out of the way, when the home changes hands in the future, as a community, you might decide that a letting agent is a good option to help with any re-lets, tenancy management, advertising and future allocations.

## Who fixes things?

This can be done locally, through your letting agent or a combination of the two. Maintenance of local homes could generate work for a new trainee, up-skill an existing one or even have enough work to set up a local social enterprise.

## How do we deal with new standards and changes to laws surrounding tenancies?

You may employ someone within your organisation to keep abreast of new

laws and requirements, or employ a letting agent who will take care of this for you.

CHT is a registered letting agent and manages over 60 of our own properties or on behalf of communities.



“

Shieldaig, like many small communities in the West Highlands, has had to cope with a range of problems arising from the growth in the number of second and holiday homes. The lack of affordable housing for local young people led at one stage to numbers in the village primary school dropping to three.

Central to tackling this problem was the construction of 15 new homes, and a genuine community spirit has developed, young children are everywhere and numbers in the primary school are approaching twenty.

It has been a pleasure working with CHT. They have been good listeners, co-operative partners, and innovative and effective problem solvers.

Shieldaig Community Council, Wester Ross

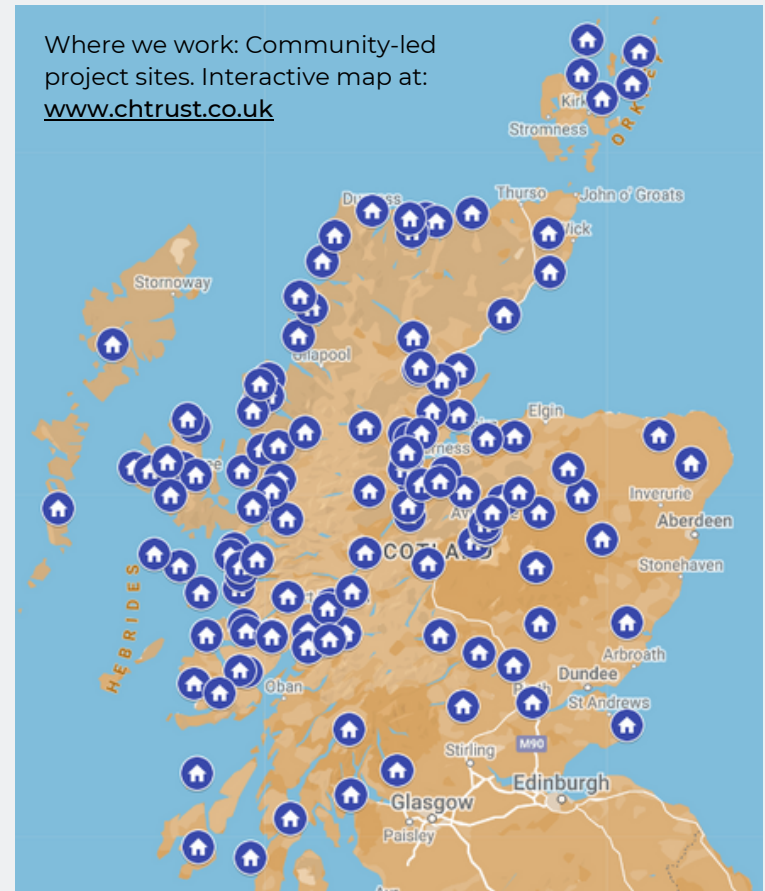
# About us

The Communities Housing Trust is the leading organisation for facilitating community-led housing in Scotland.

We work closely with communities across rural and island areas to actively support repopulation and long-term sustainability.

We take a holistic and creative approach that looks beyond just housing, and have facilitated well over 1,000 affordable homes with a mix of tenures, and other community amenities, in more than 120 communities, including a school, health centre, and commercial and workshop space.

Together with communities, we develop viable solutions to the evolving challenges of community development in less well-served places. This includes pioneering a range of housing tenures, and financial and technical solutions (such as the Rural Housing Burden) that provide much-needed flexibility and support, and are used Scotland-wide.



Six families moved into their new homes in Staffin, Skye in February 2022

# Services & support

We work with many supporting organisations to provide a range of help and services to communities. The cost for most of these services may be covered by grants, so we recommend seeking guidance from experienced organisations to ensure the best possible outcomes for your community. Speak to us and we can signpost the latest and most appropriate information for your community.

View the RouteMap case study films at:

[www.chtrust.co.uk/routemap.html](http://www.chtrust.co.uk/routemap.html)

We also showcase a range of completed community-led projects, each quite different, at:

[www.chtrust.co.uk/case-studies1.html](http://www.chtrust.co.uk/case-studies1.html)

## Contact us

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Communities Housing Trust is a Company Limited by Guarantee (SC182862) and a Scottish Charity (SC027544)  
Landlord Registration No: 131303/270/23030 - Letting Agent Registration No: LARN1906024

## Services we offer

- Housing Needs Surveys,
- Community and partner engagement,
- Business planning,
- Feasibility studies and land audits,
- Advice and practical support on fundraising applications for purchasing or developing assets,
- Project development and management,
- Building affordable homes,
- Find and buy land,
- Agreeing community-led allocation policies for homes, based on local priorities,
- Managing properties,
- Providing a letting agency service.



Plans on the ground,  
Aviemore

# Thanks & acknowledgements

The Communities Housing Trust has created this RouteMap for development trusts and community organisations in Scotland with funding support from the [Nationwide Foundation](#).

We formed the RouteMap with input from community organisations we work with. The accompanying films for each stage (found on [our website](#) or [YouTube channel](#)) were also made by the communities themselves, in:

- Balmaha
- Staffin
- Gairloch
- Ardgeal
- Applecross

This was a way to further support rural communities and enable them to tell their own stories.

We'd like to thank the filmmakers Dave Arcari, Hugh Campbell, Nessie Gearing, David Russell and Ryan Terry, as well as all interviewees.

## Supporting community organisations



## Funder



Celebrating acquiring the first  
land for community-led housing  
in Applecross, July 2020