



Invitation to tender

Preparation of a guide for community groups on investing for community benefit

Introduction

Our organisations are closely involved in the development of community-owned assets and revenue streams. We have a joint interest in supporting community-led development. This tender invitation is designed to result in a product that will be of particular use for community groups considering how best to invest capital or revenue sums in the sustainable development of their community.

Background

Over recent years there has been a growth in the number of communities in Scotland establishing their own renewable energy schemes designed to generate income to fund community development measures. Also, there is likely to be a growing number of communities able to secure payments (capital or revenue) from wind farm developers taking forward projects nearby. Most groups are companies operating in accordance with the development trust approach – non-profit distributing companies limited by guarantee, although other models may apply.

To-date, grant assistance has been available to such communities for a range of 'pre-income' purposes: building local capacity, establishing suitable legal structures, and developing renewable energy schemes, for example. However, less attention has been given to the question of what communities might best do with the independent income they receive from such schemes. There is now a pressing need to help communities decide how they can best use this income to create long-term benefits. In many cases the income can represent a once-in-a-lifetime opportunity for the community to address its long-term needs, underpin sustainable social and economic development, and prevent decline (e.g. in population).

The Requirement

We wish to prepare an easy-to-read but comprehensive guidance document on investing for community benefit, based on the practical experience of community –led investment projects undertaken over the last 30 or so years.

We'd like to identify investments that have brought about long-term benefits (say over 30 years or so) to the community in question. Ideally we'd like to uncover those that have furthered sustainable development and resilience at the local level, i.e. those that support rather than undermine the delivery of other economic, social or environmental outcomes. We'd particularly like to identify those that enable monies to keep circulating within - and thereby strengthen - the local economy. Examples might include loans or grants to local businesses or individuals, energy efficiency schemes using local expertise, or equity

investments in other community enterprises. Where the investment leads to financial returns to the community organisation, allowing for further re-investment, this would be an added benefit.

This will require research into investment approaches taken by community organisations that have succeeded in generating lasting positive economic, social, and/or environmental impacts. For example, investment that has enabled the provision of local health care, learning opportunities, cultural or recreational services, transport infrastructure, communications technology, housing, community facilities, business support or accommodation, employment, educational benefits or environmental outcomes. We are particularly interested in approaches that have been driven by community organisations themselves, where possible based on capital or income they themselves have generated.

The research should review:

- Investment decision-making processes and sources of income;
- The progress of actual developments since their initiation to present; and
- Organisational structures used to manage investments.

The final product will be a guidance document which includes:

- Descriptions ('case studies') of at least 10 development projects driven by community investment initiatives that have produced strong social, economic and/or environmental returns at the local level over time, and the key (and common) factors that have led to that success, including a summary of the actual impacts of the projects in terms of its original objectives;
- A summary of 'lessons learned' in each initiative;
- Identification of best practice and principles derived from the experience of the case studies to help new groups make effective investment decisions.

Geographical scope

The only requirement is that case studies must be relevant to the circumstances community groups in Scotland are likely to face. With this caveat, we would encourage a wide-ranging review, spanning communities in a number of countries.

Method

This is likely to comprise a mixture of desk-based research combined with actual contact with identified case examples. Consultants will be expected to define an approach that is most likely to allow the identification of the real issues faced by the groups and the projects concerned and an accurate definition of impacts.

Timescale

The commission is expected to take around 6 months from inception date, finishing no later than **30 September 2010**.

Budget

The total budget for this work including expenses and VAT is £25,500. Submissions will be assessed on the quality and depth to which they assess the brief and value for money

against the budget specified. In total we expect the number of consultancy days required to be in the range of 12-16 working weeks.

Milestones

End March	Tender submissions received
Start April	Interviews (Edinburgh)
Mid April	Project Inception
Start May	Progress report and case study review
Start June	Progress report and case study review
Start July	Progress report and case study review
End August	First draft report and presentation to group
End September	Final report and presentation to group

Final Outputs

Outputs will comprise:

- A report laid out in an easy to read and interesting format with at least 10 case studies and clear principles derived from the experience of the groups reviewed;
- 5 hard copies
- 5 CD copies
- One file MS Word with all information contained

Intellectual Property

The intellectual property and copyright of all materials prepared under this commission shall rest with Community Energy Scotland, Development Trust Association Scotland and The Scottish Community Foundation.

Person / organisation specification

Track record in

- Project appraisal, research and evaluation within a sustainable development framework/ context
- Finance and financial management
- Community development: planning, projects and structures
- Preparation of guidance for community organisations

Tender Presentation

Shortlisted respondents will be asked to present their tenders to a small panel in Edinburgh on **1st April 2010**.

Management

The contract will be between Community Energy Scotland and the successful consultancy.

The selection process will be managed by representatives from CES and SCF only. Once a successful contractor is appointed, the project will be managed by a small project team convened by Nicholas Gubbins (CES) with Tom Black (DTAS) and Giles Ruck (SCF).

The contact point for enquiries and issues as the project develops (post award of contract) will be Tom Black, DTAS.

Closing date for tenders

Tenders should be submitted no later than 5.30pm on **24 March 2010**.

Submissions

Written tenders are invited, and should be no longer than 10 sides A4 in 12point font. Additional information such as CVs and details of previous work may be provided as appendices.

Please send your tender in both electronic and hard copy to:

Nicholas Gubbins
Community Energy Scotland
2b Fodderty Way
Dingwall Business Park
Dingwall
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If you have any questions regarding this tender spec, please call Nicholas Gubbins on 01349 860123. Any substantive new information provided in response to questions will be circulated to all interested parties.



This project is grant funded by The Scottish Government