

Owning and Managing Assets in Upper Ards

A Report from 3 Case Studies



**Compiled by CENI in conjunction with EDRCN as part of the
Catalyst for Change Programme – September 2011**

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SECTION 1 – INTRODUCTION

This small scale scoping study was conducted by CENI in conjunction with the EDRCN as part of the **Building Change Trust - Catalyst for Change Programme**.

Communities need a range of “assets” to effectively function and succeed – these include “people assets” ie the involvement of people as participants and volunteers, as well as “physical assets” such as buildings and shared spaces. Increasingly community groups have responsibility for owning and managing buildings and spaces which brings benefits as well as challenges.

Whilst the transfer of assets by statutory agencies to community based organizations in N.I. has not been as high on the agenda as with other parts of the UK there has been significant investment in capital programmes in N.I. over the last 20 years. These include: IFI and EU (Peace) capital programmes promoting economic and community regeneration, Big Lottery capital programmes, Sport N.I. Community Capital Programme, DARD Rural Development Programme, and DSD’s Modernisation Fund Capital Programme.

The theme of ‘**community ownership and management of assets**’ has furthermore been the subject of a recent UK wide research project led by the Institute for Voluntary Action Research¹. This IVAR study was conducted in N.I. by CENI and Community Places and offered a useful reference point in the development of this scoping study conducted in Upr Ards.

EDRCN recognized the importance of community assets for rural communities and felt that it would be beneficial to explore the theme in more depth with a sample of asset owning groups located within the Upr Ards area. In particular EDRCN wanted to gather information on both the benefits and challenges of community ownership and management of assets and identify potential learning which could be shared with other groups considering asset owning or capital projects. There was also the potential for support needs to be identified for community groups which might be relevant to the Catalyst for Change programme.

Capital funding initiatives deliver significant outcomes for individuals and communities but also potentially can present challenges relating to the skills/expertise required; increasing governance and legislative requirements; and the costs in financial and human terms of owning and managing assets. The challenges are particularly true for smaller rural groups who largely operate on a voluntary basis and rely heavily on a small number of highly committed individuals.

¹ Community Organisations Controlling Assets: A Better Understanding - Report Summary, June 2011 Aiken, M; Cairns, B; Taylor, M et al. Full report available from www.jrf.org.uk.

SECTION 2 - METHODOLOGY AND APPROACH

CENI worked with EDRCN to agree the focus for the piece of work and refine the research questions. Given the limited scale of the resources available for the study and the Catalyst for Change focus on the Upr Ards/Peninsula area it was agreed to conduct three cases in the first instance and that further work could be conducted by EDRCN personnel within the wider Down area in follow-up to this.

The three groups identified represent asset owning at different stages of development and scale as well as different approaches and were located within three distinct geographical areas in the Upr Ards: Ballywalter, Portaferry and Kircubbin.

CENI conducted semi-structured and detailed interviews with one key contact from each of the 3 groups. EDRCN set up the interviews and shadowed the process throughout. The following section presents the key summary findings and learning.

SECTION 3 - SUMMARY AND LEARNING

This section presents the findings from the experiences of three community-based organizations which have responsibility for the ownership and management of assets (ie buildings and land) in the Upr Ards area. The assets are located in Ballywalter, Portaferry and Kircubbin and vary in their scale and stage of development.

The study explored a range of dimensions across the cases and the following sets out the summary findings including:

- The type and scale of assets owned and managed
- How the assets were acquired, including sources of funding
- How the assets are currently used, managed and governed
- The benefits of owning/managing assets
- The challenges of owning/managing assets
- Critical success factors identified and tips for other groups
- Support needs identified

1) ABOUT THE ASSETS:

The assets referred to in the study are primarily buildings comprising community and commercial units and include: meeting /exhibition space, office/shop units, accommodation units and a café/catering facility. In addition there is a marina with berthing facilities.

These assets have a range of uses to promote economic and social regeneration within their local areas. In two of the cases the **primary purpose of the asset/s** is to generate income to sustain their work and to provide a base for other organizations/ enterprises to deliver their activities. The third group uses their facility primarily to deliver their own activities to target groups in the community. The combination of shop/business units and open meeting/function rooms allows groups to both service the community and business needs and generate diverse income.

IFI and Rural Development Council/DARD are the **primary sources of capital project funding** across the 3 cases. All of the groups have an emphasis on economic and social regeneration but the assets are utilized in a variety of ways to achieve their goals.

Only one of the assets required the **transfer of Council owned property** and in this case there were some challenges with agreeing the terms of the lease. The other assets were purchased from private owners and then refurbished through capital grants.

The assets **vary in size and scale** with Portaferry being the greatest in value and earliest to be developed (mid 1990s) with Kircubbin and Ballywalter being more recently completed (2008 & 2006) and smaller scale.

In each case a new group was formed to govern and manage the asset but building on existing development work within the area. Two of the cases are **governed and managed** solely by a voluntary board with evidence of significant time and effort required on their part to do this. One group has been able to employ a worker to oversee the management of the assets and explore opportunities for further development work.

2) BENEFITS OF ASSET OWNING

A key priority for all the groups has been the economic and social regeneration of the local community:

The assets provide a **facility from which groups can manage their activities** and operations and also a focal point for their work enabling them to achieve their goals of economic regeneration, improving the built environment and enabling access to much needed facilities and amenities locally.

Income generated from the assets provides vital resources towards on-going management and operational costs and **longer term sustainability** including, in one case, funding a worker to further develop opportunities to engage and benefit the wider community.

Benefits are also gained directly by the **individuals and groups** who use the facilities including for example: access to services that would not otherwise be available (Kircubbin); access to a neutral space which all groups can identify with (Ballywalter); improved infrastructure for tourism which contributes to increased economic activity bringing more people into the town (Portaferry); as well as supporting businesses through offering affordable workspace and help with business start-ups (all cases) and providing access to reasonable accommodation space for community groups (all cases).

The **skills and experience gained** by the asset owning groups are kept within the community and are transferrable into other areas of work/potential new projects. This is particularly true of Portaferry Regeneration Group who are well placed to deliver on their latest venture the 'Portaferry Townscape Heritage Initiative' in partnership with the Heritage Lottery, which will further contribute to regeneration opportunities in collaboration with other groups in the area to the tune of £1.2 million.

3) THE CHALLENGES OF ASSET OWNING:

Knowledge/skills required: acquiring and managing a capital project has been challenging for all three groups – *'this was unfamiliar territory'* requiring *'specialist knowledge'* which had to be brought in by the community groups – knowing where to access the expertise was also a challenge.

Volunteer commitment: A number of groups commented on the **personal cost** for those in management/governance role with *"added stress and the challenge of competing demands"* as well as a sense of *"weariness"* particularly at board level. One group commented that the work was left to the ever-reducing *"faithful few"*. One group estimated an equivalent to 1.5 full time posts in volunteer time was required to manage and oversee the building in addition to significant other volunteering to maintain the centre and deliver project activities.

One group did not realise how much **financial pressure** there would be in having to fundraise to match the capital project which required considerable effort and another was concerned to reduce their loan as quickly as possible in order to keep costs down. Another spoke of the pressure of *'balancing the books'* and *'fire fighting with little time to plan ahead'*. All of the groups spoke of the difficulty of balancing between *"vision /community orientation and maintaining sustainability"*.

Resources required: The lack of additional core funding once a facility is up and running presented added strain on the group to manage and maintain the asset - although one group did secure funding for a development post this work is primarily done on a voluntary basis. One interviewee also stated that a “*group can be penalised for doing well*” and struggled to secure funding to support operational costs.

Engaging wider participation was also reported as a challenge amongst all groups with ‘fragmentation’ noted in one community; ‘apathy’ noted in another; and the need to ‘instil a sense of ownership’.

Legislative Requirements: This was identified as challenging for all of the groups, although they are able to meet the requirements there was a perception that legislation can “*impact negatively on volunteering*” particularly at governance level. Keeping up to date with changing regulations eg fire & safety/insurances and the additional costs involved were noted as challenges. Groups are increasingly opting to lease out some of their assets and employ/delegate these tasks to others.

4) CRITICAL SUCCESS FACTORS IDENTIFIED AND TIPS FOR OTHER GROUPS

The **capacity of the group** was seen as a critical success factor and their ability to pull together the required skills. This included good governance, business, finance, and PR skills but also additional specialist skills associated with a capital build project. Groups employed different approaches: having the skills on the board (which kept costs down); employing consultants; and/or accessing support from funders and other support providers as appropriate.

Good financial management was identified as a top priority by all the groups and there was considerable learning on managing projects of this scale. Keeping finances under control required a number of strategies: “*Reducing overheads and increasing profit potential*”; “*Keeping costs to a minimum through paying off any outstanding loans*”; and “*Using voluntary staff to manage and maintain the asset.*”

The **leadership and active commitment** of the board was also identified as critical to success. None of the groups anticipated at the outset the level of time and resources required and advised other groups to “*think long and hard about engaging in a capital project*” and the need to “*be prepared for the long haul*”. This included the need to think beyond the building to consider how it would be sustained and maintained for the longer term. It was felt by one group that maintaining a physical presence in the facility on a daily basis was vital to ensure the smooth running of the facility but acknowledged that this requires significant volunteer input.

Keeping the wider **community and volunteers engaged** was also identified as vital to success particularly for those groups which are solely voluntary run – this gives a “*sense of ownership*” and willingness to “*go the extra mile*”. One group pointed to the importance of volunteers in ensuring that the facilities are fully utilised by the local community through delivering a range of activities. However maintaining motivation and avoiding ‘*burnout*’ needs to be considered as well as processes for renewing membership and succession planning.

One interviewee felt that owning **assets should not become an end in itself** but should be a means to achieving goals and responding to needs, which may change over time. The potential of leasing or selling assets should be considered if this enables new opportunities for development and may also help with managing the time and resource demands.

5) SUPPORT NEEDS IDENTIFIED

Linked to the challenges identified above the support needs emerging relate to development of **asset management and business skills** - this includes strategic planning, promotion and marketing and the use of ICT, including internet, to more effectively communicate with the wider public about the opportunities for engaging with the facilities/programmes available.

In addition ideas around **supporting good governance** eg succession planning/board renewal, and recruiting and **managing volunteers**, as well as how to more effectively engage with the wider community and **strengthen participation** would also be beneficial.

Support with **funding opportunities** which would enable groups to secure additional finances towards on-going management, maintenance and use of the facilities would also be beneficial. The language used in funding application processes can be unfamiliar/off-putting for smaller groups – however even small amounts of money can make a big difference. The BIG Lottery funding programme on energy efficiency for community buildings was identified as one useful source that was being explored and the Portaferry Regeneration Group have benefited from the Heritage Lottery fund's Townscape Heritage Initiative.

It was noted by one group that skills are often best developed on the job and that what is most useful is having access to **specialist advice** as you need it eg business skills, strategic planning, marketing etc. Also it was important to recognise the skills that have been developed and perhaps consider ways in which these could practically be shared across the network of groups in the Peninsula.

SECTION 4 – CASE STUDY SUMMARIES

This section presents the three community-based organizations which have responsibility for the ownership and management of assets (ie buildings and land) in the Upr Ards area - located in Kircubbin, Portaferry and Ballywalter.

Case Study 1 - Kircubbin Regeneration Group

Introduction

Kircubbin is a village in the Upr Ards with a population of approximately 2,000 people. The Kircubbin Regeneration Group was established in 2004 as a non profit cross-community group and became a company Ltd by guarantee in 2005. The group was formed to regenerate and revitalise Kircubbin and the surrounding area. In particular the group saw the potential to develop local arts and create a neutral space for community services and activities.

Background on the community assets:

A key objective of the Kircubbin Group has been to regenerate a prominent derelict building on the main street of the village to provide a focal point for tourism and community activity as well as facilitate small businesses. In 2005 the Group secured a funding package of nearly £700,000 to develop Maxwell's Courtyard. The funders included: IFI & DARD (principle funders); OFMDFM; Ards Borough Council; as well as their own fundraising efforts and a UCIT loan. Maxwell's Courtyard was opened in 2008. The site comprises of shops/artisan units at ground floor level; a foyer/reception; a main hall; a gallery space; and a range of office units and facilities over 2 floors. Current tenants in the Maxwell Courtyard include a Credit Union (providing financial services and debt advice) and a Sure Start programme who deliver services to children and their families in the Kircubbin area; the main hall and foyer are open to public use for community or private functions and there are also small businesses on the property.

Benefits gained from owning the assets:

The development of the Maxwell's Courtyard has enabled a number of benefits for the local community including:

- Making available a central, neutral and accessible venue which is open for the community.
- Enhanced capacity to host a number of community services/activities including programmes for children and families as well as seniors; a tourist information point for the general public; as well as community events.
- Enhanced physical environment with the development of the site which has improved the general look of the village and made it more attractive to investors.
- Enhanced economic regeneration with new business ventures coming into the area -as commented by one local "*it has brightened up the village and inspired others*"

Success factors identified and tips for other groups:

The Kircubbin Regeneration Group operates solely on a voluntary basis and admit that taking on a project of this scale has been a 'daunting task'. However they have learnt a huge amount about managing capital projects in the process. Their advice to other groups considering such a project is to get the right professional people on board from the outset, as there are a lot of technical aspects to this work. In addition the finances required are significant so having the right skills and appropriate systems in place to meet various requirements is critical to success. They also stress that "*Groups need to be prepared for the long haul and the time demands*". There are a lot of volunteer hours required, particularly on the part of the Committee, to see a project of this scale through. Engaging the community and involving volunteers is also important to instil a sense of community ownership of the buildings and in order to support the on going work required to sustain/ maintain /effectively utilise the space to the benefit of the community. However the time required for this engagement at community level is a challenge in the face of competing priorities. Securing the financial and other resources needed to cover on-going costs and maintenance of the building is an ongoing pressure. The Kircubbin project has been successful in securing tenancies within the building which benefit the community however this requires on-going work and business/marketing skills to ensure the maximum usage and income.

Case Study 2 – Portaferry Regeneration Group Ltd

Introduction

Portaferry is a small town in at the southern end of the Ards Peninsula, near the Narrows at the entrance to Strangford Lough. It had a population of 2,467 (2001 Census). It has a small Marina with a passenger/car ferry service. The area has seen economic decline over recent years with closure of small businesses including the local bank and there are a number of derelict properties, many of which are listed, located in the town centre. Fishing and tourism are important here as is the presence of the Marine Laboratory of the Queen's University of Belfast.

Background to the Community Assets

Portaferry Regeneration Ltd was formed in 1994 and emerged from a group of local professionals and businesses from the Portaferry area who wanted to take advantage of funding/investment opportunities to improve the area. In particular they sought to facilitate: the creation and development of self-sustaining local businesses; the restoration of its built heritage and the elimination of dereliction; and the development of amenities, tourist attractions and infrastructure.

In the early 1990s, the group were secured financial assistance from IFI (£2.1 million) and other sources (including their own fundraising and additional loans) towards the development of four regeneration projects which they still own. (There has been some subsequent funding also). These assets include:

- *The Barholm* which provides low cost accommodation and includes a Cafe. This facility is regularly use by research staff from Queens working at the nearby Marine Laboratory along with a variety of other interest groups.
- *Portaferry Marina* which provides a focal point for tourists visiting the area, with a number of events centred around it, and includes a 50 berth facility which is hired to boat owners.
- *Brewery Yard Business Park* provides 13 units all occupied by a range of businesses including retail and service industries.
- *The Stables* currently leased by Ards Borough Council and provides a Tourist Information Centre for part of the year.

The benefits of asset owning and managing identified

A key priority for the Portaferry Group has been the economic and social regeneration of the community:

- The assets have provided a facility from which the Portaferry group can manage their activities and operations and have also provided a focal point for the group's work.
- The income generated from the assets provides vital resources towards longer term sustainability.
- The skills and experience gained by the group have ensured that they are well placed to deliver on their latest venture the Portaferry Townscape Heritage Initiative in partnership with the Heritage Lottery.
- The facilities attract individuals and groups into the area which contributes to increased economic activity as well as supporting businesses through affordable workspace.

Success factors identified and tips for other groups:

Portaferry Regeneration Ltd is one of the longest established groups in the Peninsula and as such has accumulated a lot of knowledge and experience in owning and managing assets. The group is governed by a Board of 15 members reflecting a range of interests including private businesses and local professionals. Having the right skills on the Board is regarded as an important success factor. The human and financial costs are an important consideration in capital projects as are the challenges associated with the on-going management of the assets once the buildings have been acquired and established. The Portaferry group's capacity to generate sufficient income through its various assets to employ a full time member of staff has enhanced the skills base and development time available.

Portaferry cont

Maintaining profitability in order to secure sustainability is an on-going necessity for the Portaferry Group and in endeavouring to identify the most efficient and effective way of working they have concluded that trying to manage everything themselves is not always the best way. Increasingly they have been leasing out their assets, eg the Marina and the Barholm, to private businesses thus releasing the staff member to generate new development opportunities in the area. The level of regulatory requirements associated with public spaces and services has also been a factor here - by leasing out the properties the responsibility for meeting the various regulations lies with the tenant.

Maintaining good communication and engagement with the wider community continues to be important for success. The group have had a long history of working in the community and engaging with other groups including feeding into planning decisions that impact on the local environment, services and amenities. This links with the need for on-going marketing and PR to attract attention to the assets and what is on offer.

Case Study 3 – Ballywalter Youth & Community Co-operative

Introduction

Ballywalter is a village on the east coast of the Ards Peninsula between Donaghadee and Ballyhalbert with a population of 1,416 people (2001 Census). The Ballywalter Youth & Community Co-operative was formed in 1998 building on the previous work of the youth club which had a long history of working in the area since 1972. The aim of the group is to promote economic and social regeneration of the Ballywalter area using a community development approach.

Background to the Community Assets

The emergence of the Ballywalter Youth & Community Co-operative coincided with a number of capital funding opportunities. There was a need for a neutral venue which would enable access to facilities and services/activities to benefit the community of Ballywalter and beyond. Initially the Youth Club had been leasing the building from the Council but it was in poor condition and not really fit for purpose. A funding package was secured from IFI (£300,000 through its Community Property Development Scheme) and the Rural Development Council (RDC) (£149,500). In addition the group secured £37,000 from its own fundraising activities and a loan which is now fully paid. The refurbished Community Centre was opened in 2006 and comprises of: a large meeting room; a main hall; office space and IT suite; shop units on ground floor; and Foyer/Reception area.

Benefits gained from owning the assets

The Centre is heavily used in all areas by the Ballywalter community and beyond and across a range of target groups including: children, young people, families, ethnic minorities, seniors and those with disability -reporting up to 600 users per month. The youth club, playgroup and seniors clubs meet in the main meeting areas; the facility also hosts the group's own administration centre; the IT suite is open for computer classes; the Credit Union uses office space one day per week for outreach; the foyer/reception area is used as an advice service and information point and the shop floor units are rented by private business. It provides access to a *"modernised new hall which acts as a vital resource centre for economic, community and corporate activity in the heart of Ballywalter"*. Income generated from the asset is vital for longer term sustainability of the group.

Success factors identified and tips for other groups

Knowledge/skills required: The Capital Project was a challenge as the group was not familiar with the requirements and did not have the professional skills on the Board. Once the funding came through they were able to employ consultants with the right skills (architects, solicitor etc) – some support was provided free in advance. There were specific challenges associated with the new build project – quality control and agreeing lease terms with the council.

Resources: The Group did not realise how much fundraising would be required from them to secure the capital project this required considerable time and effort. A significant amount of voluntary time is required (on-going) to maintain/manage the asset – an estimated 1.5 full time posts equivalent, in addition to significant other volunteering linked to maintaining the centre and delivering project activities. Use of volunteers and paying off an outstanding loan has enabled the group to keep running costs down.

Legislative Requirements: This can be time consuming but once basic work on policies & procedures is in place it gets more manageable, but it does need regular updates in line with changing requirements eg new fire & safety regulations and insurances etc. All of this brings additional costs which need to be factored in. There are some negative perceptions that legislation is creating barriers to volunteering - 'having to do courses' disengages potential volunteers.

Community engagement: Engaging with wider community and volunteers gives a sense of ownership and willingness to "go the extra mile". The Group have worked hard to maintain their vision and community orientation whilst also being sustainable although the pressure to balance the books is always a challenge.